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JOB TRAINING AND EMPLOYMENT SERVICES

HEARING

BEFORE THE

SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FEDERALISM, AND THE DISTRICT OF COLUMBIA

OF THE

COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

SECOND SESSION

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JOB TRAINING AND EMPLOYMENT SERVICES

FRIDAY, MARCH 11, 1988

U.S. SENATE,
SUBCOMMITTEE ON GOVERNMENT EFFICIENCY,
FEDERALISM, AND THE DISTRICT OF COLUMBIA,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10 a.m., in the Midtown Plaza auditorium, McKeesport, PA, Hon. John Heinz III, presiding.

Present: Senator Heinz, Congressmen Gaydos and Murtha.

OPENING STATEMENT OF SENATOR HEINZ

Senator HEINZ. This is a hearing of the Governmental Affairs Committee of the United States Senate together with the House of Representatives, and I am very honored to be here with Congressman Gaydos, who has represented parts of this area for longer than I care to say, and certainly, Congressman Murtha, who has been very involved on the House side in helping us again with job training legislation. We are all very pleased that they are here today.

I have some very brief remarks before I yield to Joe Gaydos and Jack Murtha for their comments.

I'd like to make one announcement today, which is that Pennsylvania has received $6.1 million for Trade Adjustment Assistance. This is especially significant because it is fully one-third of all of the funding made available nationwide and more than double the amount received by any other State. I want to take this opportunity to commend the U.S. Department of Labor for understanding that we, in Pennsylvania, have great need and I also wish to congratulate those such as the Mon Valley Unemployed Committee.

As I have said, we are here to exercise our responsibility as Members of Congress for overseeing job training programs, and we want to see what progress we have made and what additional steps need to be taken. What we all must bear in mind is that there have been repeated studies that have demonstrated conclusively that we are serving only a tiny fraction, some one in ten, of the several million displaced workers who are still unemployed and who seek and need training.

It is a great national tragedy. Less than half of all dislocated workers have received training from JTPA Title III programs, and various studies note that it will become an even greater problem in the future as the proportion of jobs requiring higher skill and educational levels is going to steadily increase from about 22 percent today requiring a college degree to 30 percent by the year 2000.

Starting on Tuesday of next week, the House and Senate conferees on the omnibus trade bill will begin the final wrap-up session on that legislation. The reason that Congressman Murtha, Congressman Gaydos and I are here is to do the final building of our case to ensure that the priorities of our constituents here in western Pennsylvania are brought forcefully to the conferees' attention and that the right decisions on Displaced Worker Assistance and on Trade Adjustment Assistance are made by those conferees. The knowledge that we expect to gain today from our group of unemployed from the state and from the local service providers will be invaluable.

[Senator Heinz' prepared statement follows:]

PREPARED STATEMENT OF SENATOR HEINZ

The Subcommittee will come to order. Today we are holding field hearings on the effectiveness—the efficiency—of efforts to reemploy America's best workers. I am pleased that Congressman Joe Gaydos and Congressman Jack Murtha, two of the top leaders in the U.S. House of Representatives, are here today. Their deep concern for Pennsylvania's workforce is well-known, and their expertise will be a great asset as congress moves to reform employment programs.

The background of this hearing is simple. After the last recession, 1.7 million displaced workers were either still looking for work or had given up all-together. The Job Training Partnership Act provides training services to only one in twenty such workers, and then training only averages 90 days in the best programs.

13 months ago, Senator Rockefeller and I introduced the Worker Adjustment Improvement Act to provide $1 billion in support to displaced workers. Similar legislation is now contained in the trade bill.

At the same time, the Trade Adjustment Assistance Act reaches far too few trade-impacted workers, and many either cannot receive income support because they were laid off too many times from their plants, or they cannot receive training because appropriated funds run out.

In 1986, 90,000 workers were certified for TAA, but only 8,000 entered training. Failure to retrain less than one in ten displaced workers—workers with job experience and solid skills—ultimately will leave this country unable to keep up in world markets. It would be as if we permanently sidelined our first string.

Next week, the conferees on the trade bill will reassemble. That measure contains, among many other items:

A $980 million worker readjustment program, which I just alluded to, to provide enhanced training, income support, and rapid response programs to displaced workers.

An extension of the Trade Adjustment Assistance Act which would entitle every worker eligible for TAA to training benefits.

Inclusion of so-called secondary workers, those who are suppliers for trade-impacted industries, in the TAA program.

My amendment to provide cash assistance and training to workers separated from employment between 1981 and 1986 who were denied trade readjustment allowances in that period.

Improvements in program administration which include improved notification procedures, cash assistance during semester breaks in training, and the ability of workers to use funds other than TAA to pay for training services.

Whether or not we retain some, all, or none of these provisions depends entirely upon the conferees. Congressman Murtha, Congressman Gaydos, and I have worked very hard on the trade bill, and today's hearing will help us to set out priorities as we move to reform job training.

There are other issues to be addressed today. The Trade Adjustment Act recently awarded $6 million to Pennsylvania, one third of the money available nationwide.

Yet even this sizeable allocation may not cover all workers who may seek training this year. If TAA funds are inadequate for training, will other programs be able to absorb the affected workers?

If a new worker readjustment program is enacted, as we hope it will be, should we eliminate the TAA program all-together, as the President has proposed, or retain it in a newer, more responsive format as Congress has proposed?

If there is a replacement program for JTPA's dislocated worker assistance program, will Pennsylvania be able to provide longer training, and income support, to the workers who enroll in it?

What further services, beyond training and income-support, should we provide? Pittsburgh is home to the one-stop shop which provides workers with a centralized referral and counseling center. Will we be able to build upon such programs and expand them so that there will be more such centers, and allow TAA recipients to use them?

Our witnesses today, Frank Mont, Edward Rollins, Ron Quinn, Barney Oursler, Paul Lodico, and the council members will help us determine what more needs to be done, and what our priorities will be in the coming days and weeks as we finish work on a trade bill. They are excellent witnesses and I welcome them here today.

I would like to yield now to Congressman Gaydos and Congressman Murtha for any opening statement they would like to make.

Senator HEINZ. At this point, I would like to turn to the chairman of the Pennsylvania Congressional Delegation, my friend, my colleague, and a man who taught me all about town meetings when I was first elected to the House, and whom I am very privileged to work with, Congressman Joe Gaydos.

OPENING STATEMENT OF CONGRESSMAN JOSEPH M. GAYDOS

Congressman GAYDOS. I want to thank the Senator very much and I know that I speak on behalf of all our citizens here in the McKeesport Valley in that we appreciate the Senator for having the foresight to set these hearings up.

John Murtha and I are very glad to have an opportunity to come down with the Senator. I want you to know that it might seem a little strange on party affiliations and things like that, but the three of us work very, very closely together and we have been doing it ever since John Heinz left the House and went over to the Senate. We are in the position to help our area, especially with John Murtha from Johnstown, who is on the powerful Appropriations Committee, and the three of us working together—in fact, the three of us here put the steel caucus together, John Heinz on the Senate side and John and I on the House side.

Although it hasn't done everything we wish it could, we have made some giant steps. Someday we may have a hearing to address that.

I want to point out to everybody here, and I want to again thank John Heinz for inviting me, the omnibus trade bill—and all three of us are on the conference committee that will start looking at it on Tuesday—is a compromise bill that contains a number of sensitive provisions.

The existing bill is more than just a vehicle to reduce our $170 billion plus trade deficit. It also is a tool to help put millions of Americans who lost their jobs because of foreign imports back to work and in new careers, hopefully. The provisions of the trade bill will put those unemployed workers back on their feet and back on the payroll, and I am referring to the provisions in the bill that concern the Trade Adjustment Assistance Program (TAA) and the Job Training Partnership Act (JTPA).

In the proposed bill, we are asking nearly $1 billion to streamline JTPA and expedite and improve the delivery of readjustment services to eligible workers, upgrade retraining and educational programs, and provide additional funds for TAA.

We want to include a "reach-back" provision for workers denied the opportunity to be retrained under the original program because it was not adequately funded in the first place and we want to include a "reach-out" provision to give workers who are the secondary victims of plant closings because foreign imports grabbed the primary markets a new chance for all of those to be retrained for a new future. We want this group's recorded support and I am looking at Barney Oursler right now. He has been leading this fight for a long time and we want to put it on the record. We want your practical analysis of this bill and these provisions. I want to thank and commend each one of you for agreeing to share your views and with Senator Heinz and Congressman Murtha and myself and, again, my thanks to Senator Heinz for holding this very important hearing and maybe now we are going to go back fortified with some information, Senator, and make your needs and views known down on that joint conference committee.

Thank you.

[Congressman Gaydos' prepared statement follows:]

OPENING STATEMENT OF CONGRESSMAN GAYDOS

Mr. Chairman, I would like to welcome all of you today to my hometown of McKeesport, and I look forward to hearing from these expert witnesses we have with us today.

In the last ten years, in McKeesport and the greater Pittsburgh area, 40,000 steelworkers have lost their jobs. Many of these men and women have found other employment, but many of them have not. Many of them have learned new trades, and some of them are working in jobs they would not have even considered ten years ago.

In America right now, the steel industry is not improving. Like many other industries, it is suffering from the pressure of low-priced foreign imports. And, steelworkers continue to lose their jobs.

That's where programs like the job training partnership program, the dislocated workers assistance program, and the trade adjustment program come in. These Federal programs have provided millions of dollars in job training money for hard-working Americans who have lost their jobs.

These programs are vitally important to workers who suddenly find themselves out of work because a plant closes, and who have spent their lives learning a job which is eliminated overnight.

As Congress prepares to send H.R. 3, the omnibus trade bill, to the President, I am going to do everything I can to ensure that job training funds are kept in the bill and that this trade bill says, in the strongest possible language, that the United States is serious about putting the trade balance back in our favor.

Senator HEINZ. Congressman, Joe, thank you.

Jack Murtha.

OPENING STATEMENT OF HON. JOHN P. MURTHA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Congressman MURTHA. Thanks very much, John, and I want to join Joe and John in expressing my appreciation to the panel.

I don't think that anybody has been more important than the folks in this room who have been so involved in trying to improve the TAA which has been so important after workers are dislocated, and I know something about the worker dislocation.

For instance, in one SMSA, in Johnstown-Somerset, we had 24 percent unemployment back in 1981, and since that time, we have been trying to diversify and we have been trying to save what is left of the steel industry and we have had some impact. We have reduced the imports substantially from where they would have been if it hadn't been for the Voluntary Restraint Agreement which John Heinz and Joe Gaydos and I worked out with the Ways and Means Committee, and we got at least the nucleus of the steel industry, but in the meantime, we have attracted a Software Institute to Pittsburgh and we are trying to make sure that we get the appropriations into Pennsylvania, and Bob Casey's priority is to attract industry into Pennsylvania.

In the meantime, we've got to retrain people and we've got to have a different type of industry and, of course, TAA is absolutely essential to that task so I appreciate the work that you have done and I put the money in the House side last year at the request of John Heinz and Joe Gaydos and we got as much as we can get. It is not enough. As you know, we've got many, many more people, even though we get a third of the money, we got many more people that are eligible than are going to receive it and that is a tragedy. So I am glad to participate in this hearing and I look forward to hearing the people who have been instrumental in keeping this program alive, and it has been so important and I want to express my appreciation to the people in our area who have benefited from TAA in the past and thank you very much for coming and I am looking forward to hearing what you have to say.

[Congressman Murtha's prepared statement follows:]

PREPARED STATEMENT OF CONGRESSMAN MURTHA

I am very pleased to co-chair this meeting with Senator Heinz and join with the other members of the Western Pennsylvania Congressional Delegation here today. We have worked together to keep the TAA program going; we will continue to work together to strengthen the program and protect our workers.

Recently, Chrysler Chairman Lee Iacocca spoke to a meeting in Johnstown. When we outlined for him the steps we have taken to rebuild the Johnstown area economy and the economy throughout Western Pennsylvania, he not only praised us, he asked us to visit other communities to tell them of our success. In a picture where we often tend to emphasize the negative, I want to note that in Western Pennsylvania, we have successfully launched the greatest economic redevelopment and diversification in the region's history. Not unlike a prize fight, we have taken the best shots the economy can deliver, we have started on the road back, now we need to finish the job and win the fight.

A key part of that plan is retraining our workers. Again, we have made progress. Through the efforts of our Senators and Congressmen, we offset the federal Labor Department's recommendation to severely curtail the TAA program, and enacted last year $50 million in supplemental funding, and $50 million for this year's appropriation. From both efforts Pennsylvania received the largest chunk of funding.

Still, and we will hear the updated figures from the State in the hearing, Governor Casey informs us that as many as 6,300 workers would be eligible for TAA in federal fiscal year 1988, and that we would be well over $40 million short in funding in Pennsylvania alone.

That is why it is important that we keep pressure on for additional funds, and that we keep pressure on for provisions in the trade bill that would make such funding automatic and insure enough to cover the entire program cost.

I want to say a word to workers at companies like Volkswagen and Westinghouse that have faced this retraining effort: Every employer I talk to about our area has praise for your skills. Western Pennsylvania workers still deliver a full dollar's worth of work for every single dollar paid. I join with the other members of the Pennsylvania Congressional Delegation in pledging to you that we are going to do everything we can to make sure that you have a chance to use those skills, and that

you have the retraining you need to continue that Western Pennsylvania tradition of outstanding workmanship.

Senator HEINZ. Jack, thank you very much and I must say that I think we, in Western Pennsylvania, are very lucky to have people like Joe Gaydos and Jack Murtha, who—Joe, because of his position on the House Labor and Education Committee and, Jack, because of his extremely influential position on Appropriations, do an incredibly good and important job for all of us week in and week out. And speaking of people who have done a good job, I just want to agree with both Joe and Jack about Barney Oursler and the Unemployed Council of Southwest Pennsylvania.

Barney, you and Paul, and the rest of you have been of incredible value to me and Andrew and Anne of my staff and others, and indeed you have been a resource to the entire Congress. I know what you have done on the Senate side, and I assume you have done that and more on the House side and I think everybody here owes you a great depth of gratitude together with Paul and the rest of your group. You even followed me all over Pennsylvania to make sure that I did my job. Don't stop.

Our first panel are the people who are most hurt by the lack of adequate job training monies, and I would like Paul Lodico, who is Co-Director with Barney of the Unemployed Council to introduce the witnesses and proceed as he sees appropriate.

Paul.

Mr. LODICO. The first witness is Leonard Zielinski.

TESTIMONY OF LEONARD ZIELINSKI, JR.

Mr. ZIELINSKI. My name is Leonard Zielinski, Jr. I was a weigher at U.S. National Works for ten years.

After I was laid off, I applied for retraining under TRA and TAA Acts and this was back in 1982. Somehow, the money was never there for me. People at the unemployment office told me several times, "Leonard, there's nothing left."

In February of 1987, I heard about TRA and TAA at a Mon Valley Unemployed Committee meeting at my old union hall. A thousand of us were there to find out about retraining. I went to get it in February and again in November of 1987. Again, it was not available.

I was lucky because I lived with my parents who are now in their sixties. Dad has been on disability for 9 years. Mom works part-time to supplement his income. I help when I earn money from odd jobs.

My one hope now is retraining. Presently, the Pell Grant is paying for the courses I have to take to develop my math and reading skills and for the prerequisites for the technical course I want to take at Boyce Campus of the Community College. The college understands my problems, and people have been more than willing to help me.

The Financial Aid Office arranged deferred payment for me. Teachers saw to it that I had books, like this one, which was complimentary books that the school provided me with because I didn't have the money so I wouldn't fall behind in my classwork. My advisor at Boyce Campus has estimated that it will cost $5,500 for the

two year course in radiology. And the money and effort will be well worth it because I will be able to find a job in radiological technology. I can make a decent living in this field which offers many opportunities for employment and advancement here or in another State.

My parents have been generous enough to carry me for the past five years, but there is no way that they or I can afford to pay for my two years of vocational training.

And I am one of the lucky guys. My married buddies from the mill have families to feed, clothe and house. Over a dozen of my former co-workers have lost their homes. Their kids are going without winter coats. Their marriages are falling apart. I know of several attempted suicides in the Mon Valley area. Congressman Gaydos, Senator Heinz, Congressman Murtha, is it the American Way to ignore us?

With the help of the psychologists at the Mon-Yough Mental Health Agency, I overcame a year of massive depression and have finally regained faith in myself. I have a new lease on life, but it took a long and painful struggle. If I could receive funding from TRA and TAA, there would be a very happy taxpayer, Leonard Zielinski, back on the tax rolls. I want to be a contributing citizen again, employed in the health field to help others.

Thank you.

Senator HEINZ. Mr. Zielinski, thank you very, very much. I am sure we will have some questions for you, but I would like, I guess, Howard Kelley or is Paul Taylor next?

Mr. Taylor, that is a pretty fancy shirt that you are wearing.

TESTIMONY OF PAUL TAYLOR

Mr. TAYLOR. That is with compliments of Barney Oursler, Paul Lodico and Committee.

My name is Paul Taylor. Presently, I am an active employee for Westinghouse Electric. I work at the East Pittsburgh Plant maintaining cranes and elevators. My job involves all electrical and mechanical repairs to insure the machinery is safe and in dependable operating condition. For 19 of my 24 years with the company, I trained and schooled for this job.

On May 1, 1987, our plant manager made a plant closing announcement. This means, in the near future, I'll be one of the area's unemployed. Since the final closing will occur possibly by year's end, I must plan my future working years. Many fellow employees and I feel further training or retraining is necessary for new employment. Our plant was certified for TRA as of May of 1986. My fellow workers and I are quite concerned about the funding for school. Many workers relate stories from unemployed people who were not successful obtaining funding aid for schooling.

Since my brother is an active Mon Valley Unemployed Committee member, I am aware of the struggle to get funding. In the past, they invited me to Washington, D.C., and Harrisburg, Pennsylvania, to lobby for our fair share of available funding. I saw how dedicated this committee can be pushing for our cause. In discussions with other employees, I remarked, "We have excellent support,

both committee and political, fighting for our share of the Federal funds."

For the past few months, I contacted various schools. Most of my complaint here is, which schools provide the exact training that I desire? Most of my fellow employees and me feel a need for counseling before a final school course decision. We also suggest listings for all technical and community college schools available for TRA. I personally would like a rating system as to how professional these schools are. Let's face it. Schooling is fine with the proper training you pursue.

For years, I performed my work with tools, experience, up-to-date schooling. Once this job is gone, I feel a need to retool, and by that, I mean school.

Senator HEINZ. Mr. Howard Kelley.

Mr. KELLEY. How are you doing, sir?

Senator HEINZ. All right, Mr. Kelley.

TESTIMONY OF HOWARD KELLEY, JR.

Mr. KELLEY. My name is Howard Kelley, Jr. I have been a citizen of the city of Clairton, which was a major industrial center in the Mon Valley region. I entered the steel industry right after graduating from high school. After seven years, I lost my job due to a plant closing.

After four years of low paying jobs, finally, I heard about the TRA training program from the Mon Valley Unemployed Committee. I was in their office up the street from here looking for some other help and they overheard that I was an ex-Clairton U.S. Steel worker. They informed me that I should be eligible for TAA retraining.

When I heard about training, there was no money at that point for training, and the unemployment office didn't want to give me any TRA cash payments.

That was my situation when I testified before Senator Heinz and Senator Rockefeller at the Senate Finance Committee field hearings last year in Pittsburgh.

I am pleased to report now that I am now in TAA training and I am making good progress.

I will be out of school in mid-October and on my way to a new and better future. But in two weeks my cash assistance will stop, leaving 24 weeks without funding. It will be hard on me and my family, but it is either school or another low paying job.

If I do drop out of school because of funding, the time and trouble you and many others have taken would all be in vain.

Also, I have been penalized for my school's closing for Christmas recess, and I have lost one week of cash assistance funding. One week is not so bad, but I feel for those other men and women that go to school and lose one to two months of cash assistance because of a school's decision to close for summer recess.

I don't think that when the TRA and TAA programs were written that you Congressmen intended to penalize students for breaks in training beyond our control.

It has been my intention of this and earlier hearings to have helped change the injustice of denying this program to the many

who have needed it. Congressmen, change the law and federal guidelines to make it work better so we can help ourselves.

Make sure this program helps us and not just the one man in the White House, who seems happy to ignore us.

Thank you for letting myself and the others here today inform you.

Senator HEINZ. Howard, thank you for being here again. You have come a long way in the last year and we want to keep you going in that direction.

Mr. KELLEY. I got a couple of more years to go, I think.

Senator HEINZ. Paul, you get to bat clean-up.

TESTIMONY OF PAUL LODICO, CODIRECTOR, UNEMPLOYED COUNCIL OF SOUTHWESTERN PENNSYLVANIA

Mr. LODICO. Just so nobody makes a mistake, Paul Taylor's complimentary tee shirt is a loaner. His was in the wash at home and he felt bad that he didn't have one. They are on sale out front, though.

Senator HEINZ. Support the Committee, buy them.

Mr. LODICO. My name is Paul Lodico and I'm Codirector of the Unemployed Council of Southwestern Pennsylvania.

In this decade, over 60,000 workers in our region were certified as potentially eligible for benefits under the Trade Act. At least an equivalent number lost their jobs without being eligible for these benefits.

Because of the misinformation, lack of information, unduly restrictive interpretations of the Trade Act, and inadequate funding, many workers did not receive their benefits. Since the series of meetings that we had last year involving 3,000 workers from Ambridge to Allenport, there has been progress in many areas.

The State OES is improving the administration of the program. This has taken many forms including acting on problems we raise by, for example:

One, sending special teams to process applications of benefits in a timely fashion when local offices in Beaver County were swamped; but

Two, by not fighting us each time we helped workers get a positive decision by the referee or the Board of Review; and

Three, by increasing staff training including the preparation of a new training manual.

However, much remains to be done by the State administration.

At the Federal level, we also received help. You helped us secure a $20 million supplemental appropriation for TAA last year and helped increase the funding for the current fiscal year from $30 million to $50 million. For that, we thank you.

The problems that remain about which something can be done fall into three areas:

First, inadequate funding for retraining. While the funds recently received by the state, combined with those already on hand, will allow approximately 1,000 affected workers to start retraining, there are currently over 4,000 in line. The solution to this problem requires a supplemental appropriation again and changes in the law; and

Second, unduly restrictive interpretations of the Act and rulings on petitions, combined with harassing tactics toward states that don't agree with them make the Department of Labor a major source of problems.

To cite but two instances in this area, I call you attention first to the problem Howard Kelley mentioned, that is, when school closes for Christmas, affected workers miss checks. To add insult to injury, those weeks still count as part of their 26 weeks of benefits. We and they find it hard to believe that this was Congress' intention.

Second, last year, with the help of Neighborhood Legal Services attorney, John Stember, the Board of Review made the Jakiela decision which granted benefits to many affected workers who formerly had been denied them. The Department of Labor then urged the state to appeal the decision and threatened to find them in non-compliance. We hear that they may be going after them again.

The solution in this area requires both changes in the law and the mechanisms you have for seeing that the administration carries out the laws.

The last problem area is the law itself. Since it appears that the Trade Bill will soon be passed, I will restrict my comments in this area to the work of the Conference Committee which will reconcile both the House and Senate versions. The proposed improvements are modest enough and we urge that you use your position and authority to take action to see that these improvements are in the final bill.

Last week the R/DAT team of architects and of planners presented their ideas for the future of the Mon Valley and the Remaking Cities Conference was held. Each of these drew attention to the problems and prospects of the Valley. They gave us a glimmer of hope. The Prince in his address spoke of the need for citizen involvement. We are involved in remaking our future. We need your help.

Senator HEINZ. Joe Gaydos suggested, and I think it is a good idea, that we just let everybody testify in seriatim and then we can engage in some good interplay. You are going to be last, I guess, Barney and Ron, so let me recognize the second panel, which is going to be Frank Mont and Tom Foley. Mr. Mont, who had a distinguished career with the steel workers over many years, is now our Deputy Secretary of Labor and Industry, and I have had an opportunity to work with him, as have Joe and Jack, and most importantly Harris Wofford, the Secretary of the Department, who I know has worked very conscientiously to try to improve the State's services to our unemployed. Frank, we are delighted to have you here and please proceed.

Mr. MONT. We are delighted to have the invitation. I would like our Executive Deputy Secretary to lead off because he is going to deal with the TAA questions and TRA and then I am going to deal with the JTPA and see how we can match up the extremes in trying to make them more effective.

Senator HEINZ. Tom, you are on.

TESTIMONY OF THOMAS P. FOLEY, EXECUTIVE DEPUTY SECRETARY, COMMONWEALTH OF PENNSYLVANIA [1]

Mr. FOLEY. Congressman Murtha, I bring you special greetings from former Congressman Jim Shannon, for whom I worked in Washington and who counts you and Speaker O'Neill as two principal tutors in Congress. He is now the Attorney General of Massachusetts.

I want to start by thanking Paul Lodico and Barney Oursler, whom I only meet passing in the corridors at the Department of Labor and Industry, but whom I know—from Harris and from Frank and from many other people—that they are the reason that we have been able to turn so many things around since Governor Casey came into office. Secretary of Labor Harris Wofford has an expression, "Keep our feet to the fire because it might shed some light on what we are doing," and I know that he feels strongly that these two guys are the ones that keep our feet to the fire. When Governor Casey took office and found many things that had not been done properly under the previous administration, Barney and Paul cut down our learning curve by helping us to figure out what we ought to be doing and then helped us to make appropriate moves. So it is my honor to be here with both of you today.

As Frank said, I am the Executive Deputy in the department. I have a strong and personal interest in job training efforts in Pennsylvania because it is the mission of our department to try to match the work force of this State with the work that is available in it.

We are constantly searching for better ways to do that, and to be quite frank, and to chime in right with what Paul has already said, for more money with which to do it.

As Frank pointed out, he is going to talk more about the Job Training Partnership Act, and I will leave that to him. I want to take just a few minutes of your time to extend on some comments that Harris Wofford, the Secretary of Labor and Industry, made the last time he appeared before a panel chaired by Senator Heinz, and I am going to do that just by focusing on the Trade Adjustment Assistance part of the hearing.

I wanted to look at four aspects, some of which have been touched on by Paul and the other gentlemen in their comments.

The first subject is training funds and I tell you nothing that you do not already know when I report to you that the shortage of training funds under the Trade Adjustment Assistance Act continues to handicap our abilities to put all individuals who are eligible, ready, willing and able into training opportunities that lead to work. I know that this is the constant lament of States other than Pennsylvania. I know also that without adequate funding we can not carry out the mandate of the Trade Adjustment Assistance Act and move Pennsylvanians off the unemployment roles and onto the assembly line, the shop floor, into crafts or into any other work place.

As most people I think know, we recently received $6.1 million of the $8.9 million that we had requested in supplementary Federal

[1] See p. 37 for Mr. Foley's prepared statement.

funds from the U.S. Department of Labor. That money will enable us to put another 650 individuals into Trade Act approved training programs. This carries us forward from last December 1. Up until that point, December 1, 1987, we had—through the energy and requests of Secretary Wofford and Governor Casey—been able to fund I think every single person who had qualified under the Trade Act and who appeared on the certified roll up to that point.

This new money will enable us to pick up the next 650 who have been certified as eligible to receive the funds. That is the good news.

The bad news is that at the end of February even with this $6.1 million, we still have 3,500 individuals in the Commonwealth who have been approved for training, but who cannot begin a training program because of the lack of Federal funds to pay for it, and that list continues to grow, according to our estimates, at the rate of 300 to 400 additional eligible applicants every single month. So the lack of Federal training funds is the single most important issue for Governor Casey and the Trade Adjustment Assistance Programs.

The second point that I wanted to briefly touch on is the Jakiela decision. Last year, when Secretary Wofford was here, he reported to you on our opposition to the U.S. Department of Labor's interpretation of eligibility periods under Trade Readjustment Allowances. Our view and our analysis of the Federal law lead us to believe that an individual's entitlement to Trade Readjustment Allowances should not begin until an individual has exhausted all of their entitlements to unemployment insurance benefits at both the State and Federal level.

In contrast to that position, the U.S. Department of Labor has been instructing States to toll the Trade Readjustment Allowance eligibility period from the end of the individual's first claim for unemployment insurance. This Federal interpretation meant simply that many workers, particularly those that were in the unique situation of being laid off and recalled several times before the plants were finally closed were ruled ineligible for benefits before they were ever in a realistic position to apply. We felt and feel strongly that this interpretation is in direct opposition to the purpose and intent of Congress in establishing the program, and since Governor Casey came into office, we have not followed that interpretation. As Barney and Paul know, we have gone back to all of those offices, re-registered those people and got them onto the tolling period that we thought was an appropriate interpretation.

I bring with me today a copy of our latest correspondence in our pre-litigation battle with the Department of Labor on this very issue. I will summarize the correspondence by simply pointing out that objections to the Federal interpretation have been registered but not accepted by the Department of Labor and its regional administrator headquartered in Philadelphia. In an interim response to Secretary Wofford and Governor Casey, this regional administrator has requested a list of the corrective actions that we have taken or that we plan to take to modify or change the interpretation of the federal law as it affects the Jakiela decision.

The letter that I have brought with me this morning was our response to that request. We are not taking any actions to come into compliance with what the Department of Labor is telling us Ja-

kiela should mean. We believe strongly that the congressional intent of that legislation supports the interpretation that we have taken in registering people who between 1981 and 1986 were deemed ineligible.

The third issue that I wanted to touch on briefly was what is referred to as the 210 Day Rule.

When Governor Casey took office, we discovered that a number of workers had been misinformed or not informed at all about their Trade Act benefits.

Specifically, we discovered that between October of 1981 and August of 1986, the informational pamphlet that described Trade Readjustment Allowances did not inform workers of the existence and significance of a 210 day filing deadline. We also discovered that Section 225 of the Trade Act requires that just such a notice be formally given to each potential claimant. Of course, we became aware of that again through the efforts of these two gentlemen who are with us today. The result was very obvious. Many, many Pennsylvania workers did not receive adequate information on the Trade Readjustment Allowances and were denied any access to the benefits or even to apply for them as a matter of course.

We can accept that the lack of information that occurred before Governor Casey came into office and that was reflected in the pamphlet was an honest mistake. However, we do not believe that dislocated Pennsylvania workers should suffer because of someone else's honest mistake. Because of that belief, Governor Casey instituted a waiver procedure under which those applicants who were never informed of their full benefits would be entitled to apply for and receive them.

The Department of Labor has disagreed with our approach to that procedure and has formally notified us that it is commencing what are called "conformity" proceedings against the Commonwealth of Pennsylvania.

We believe that the case on behalf of the workers of this state on this issue is a clear one. We will need your support, Congressmen and Senator, and that of all of your colleagues who represent Pennsylvania in Congress to insure that not only the state not be penalized for trying to make sure that the people entitled to benefits receive them, but that the dislocated workers of Pennsylvania get to receive the benefits to which everyone admits they are qualified.

The last point that I want to speak briefly about is what is called the ripple effect.

When plants close or shut down as a result of an increase in imports, it is not only the workers at that plant who get thrown out of their jobs. In many cases, workers in plants or operations that are feeder industries or service suppliers to that plant are also adversely affected. Yet under the existing statutory provisions of the Trade Act, only those workers at the original plant, the plant primarily affected by a shutdown, are eligible to receive benefits under this Federal program. We all know that this does not really make sense.

Governor Casey has made it clear that workers who are laid off at secondary industries are not one bit less unemployed than the workers laid off at the primary industry. We urge you strongly to continue the course of action that I know you have undertaken at

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the Federal level that would extend the eligibility of the Trade Act to all the workers in the secondary industries.

I hope that I have picked up the threads of the testimony that you received some months ago from Secretary of Labor and Industry, Harris Wofford, and it is imperative that action be taken to assist the workers of Pennsylvania on all four of these grounds, sufficient training funds, upholding the Jakiela decision, preserving our waiver approach to the 210 day rule and combating the ripple effect of plant shut downs.

Finally, I bring with me today the final report of Governor Casey's Task Force on Education and Job Training. With $717 million in job training funds distributed among 20-plus arms of State government, the Governor set as a primary goal of his first year a coordinated approach to the planning and distribution of these moneys. This report is our plan for how to best use in a coordinated fashion the Federal, State, and local funds for job training.

I commend it to you and I thank you for your time.

Senator HEINZ. Tom, thank you very much. Frank, you are on.

TESTIMONY OF FRANK MONT, DEPUTY SECRETARY, COMMONWEALTH OF PENNSYLVANIA

Mr. MONT. Thank you, Senator.

Most people that know me well know that I am not the type of person that likes to speak from prepared text. So when I prepared this report, a lot of it was prepared as a report form to give to both you and the Congressmen so that you could carry the material away, I got a little short typed form. So, I am going to have to speak from what I normally speak from, my heart.

I want to say that I wish to express my deep appreciation to you, Senator, and to you, Congressman Gaydos and Congressman Murtha.

I have a long memory and I can recall the times when, in my past life of a steel worker, I came to all of you asking for aid for our people, and going as far back as getting trucks to haul potatoes to Johnstown and getting butter and other services to laid off steelworkers in McKeesport also, receiving food from the Heinz Company so that we could distribute it to our needy and hungry members, I would just like to say that on their behalf and my behalf, I wish to thank you. We remember who our friends been over the years and who comes to us in the time of need and serve us well.

I also wanted to go on to say that since Governor Casey and Harris Wofford have given us this mandate, we have changed many things compared to what was done in the past in this department. One of the things that I was most interested in, and what got me to leave my beloved union and to come into government, was their concern, interest and desire to help and work with those people who have not basically been left out. Who have half participated and who have, through no fault of their own, been forced into this economic situation that they now find themselves in; we have to do something about it. I felt that the things that were going on before, were not very responsive. Therefore, we were not helping the people who were out their most in need. I often say, government must perform for them because this may be the first

time in their whole adult life and their working life that they have really called upon government to do anything for them. They have been very productive and they have lived up to the work ethics, especially, here in Western Pennsylvania. They have paid their taxes and have been good citizens. They help support all the programs that took place to help protect a lot of other people.

Now, through no fault of their own, they are calling upon us to do something for them. So, we want to respond and we want to respond with dignity and in quickness of fashion. We are going to respond from the standpoint of what their needs are based on and what they are telling us. We are going as best as we can to match up those needs with the services that we can provide. We have taken a look basically in three areas.

We have funded in 1983—I am sorry in 1986, only 17 programs were funded. This year that we are finishing up on, we have funded 33 programs. So we have extended the funding for more and more programs so that people can participate and we have been looking at the whole funding level.

One of the things you asked in your question, do we just do this 90 days training with JTPA? No. On an average, we leave it to the SDA to decide what kind of training they want to do. Basically, in this State, we found from the standpoint six to nine months of training. We usually only fund for that short period of time for the simple reason that we want to pick up the slack that TRA and TAA does not provide. TAA provides for a lot longer period of time and they can get up to two years of training.

Here with JTPA, we are talking about those people who wanted to take training of a lesser duration and who want to get back into the work force a lot quicker. We do a lot that relates to job search and job assistance and counseling and things of this nature. Therefore, we try to, as best as we can, to bring these two systems together.

Back in March of last year, when I first came on board in the department, Paul and Barney came in and met with the Secretary and said there was no funds for TAA and my charge was to try and find some funds. We were able to identify $2.9 million that was in the JTPA system that we transferred over to pay for TAA training. Therefore, there was some people able to receive training even before the supplemental that you worked so hard to get came. That was all that we could identify at that time, but we put in all that we had. We are constantly working to see if we can work with the community colleges and the vo-tech educational schools to see what kind of leverage we can get to propel these funds out that much further in order to get the biggest bang possible for our buck, because there are a lot of people who are TAA certified who may decide that they want another option. If they elect this other option, then we want to make sure that we are able to train them in our normal dislocated workers programs.

You say that one out of ten people are served in dislocated workers programs nationaly. In Pennsylvania we are proud of our average because it is way above the national average. Through our dislocated workers' programs we serviced about 17 percent of the dislocated workers. So, our average is a lot higher.

We have made sure that we turn our money over and we want to keep turning it over. We have looked at those programs who have had problems in the previous years of meeting their expenditure levels based on what was given to them. We have now started a very vigorous deobligation and reobligation process. We don't wait until the end of the funding year to see that you have not met your funding level and, therefore, are left with great deals of money and there are people out there waiting for services.

We have other programs in this State that are dying for more funding and we have to pass the money around as best as we can. What we are doing now is, that those programs that are not meeting their funding expectations, we are taking that money away from them and moving it to other programs.

We are trying, as best as we can, to take the money and make sure that we get maximum leverage. We will continue to do this. We got involved in rapid response because it was Governor Casey, charge to Secretary Wofford to make sure that this State, because of the high volume of dislocated workers and the high casualty rate we are experiencing in the loss of plants and facilities, establish a rapid response capability.

The rapid response capability is based on some simple facts such as much advance notice as possible so that we can have early intervention. The early the intervention the greater is our opportunity to move these people from work to work. We understand that sometimes they may have to go into the income maintenance system, but this is all right. However, our whole focus is to move them from job to job. We also understand that because of things that happen to people that if you want to successfully put them in a training program they are going to have to support themselves and their families. They cannot sit in the classroom and be concerned about what is being taught to them if they have to worry about the lights being turned off in their home and food on the table for their kids, shoes for their kids, and medicine for their kids. Therefore, with the help of certain people in the general assembly, we were able to get a $2.5 million of state funds to do Needs Based Payments. Basically, these funds are committed to those individuals that have exhausted all forms of income. We put it out to our SDAs and to title III programs that are in need of this type of assistance so that we can supplement that individual who is going through training, at least they will have some minimum of income maintenance to keep their life in some type of order.

In rapid response our first experience was at RCA in Lancaster. It was a very successful experience. As you read the material, you will see what we are doing over there. We are very concerned right now with our job center at Volkswagen. Not only from the standpoint of the direct involvement of those people from Volkswagen but as Tom talked about the ripple effect that is starting to hit us there.

We have a small railroad yard over there, I think it is called CSX. Through the Governor's response team, they have approached us saying even though you are doing things for VW, our people: whole livelihood is based on what happens at VW. If you don't do something for them, where are they going to find their place in the system? So, while they are not going through the VW job center

that we have established, we have made plans to make sure they can get assistance through the private industry council. Those people will be served and their needs will be met. We are doing a great many of things in VW and we hope to do them successfully. The cooperation that the labor and management committee has extended us is beautiful. We found in place at VW history of company and union personnel knowing how to work together to resolve problems.

One of the things that we insist upon when we get involved in the rapid response effort is that we want to establish a labor/management committee and that committee is going to take the responsibility for the out placement of their people. The State will come in and be a partner with them and assist them, but they have to take the responsibility because they are the ones who best know what these people's needs are. The State is not going to come in there and tell them what they are to do. We will come in there to try to find out what they need. We will provide them in that One-Stop Shop all the services and assistance that the State can muster, all that we can get from the Federal Government, and anything that we can get from the local communities. We will bring it there to a facility that they are accustomed to and they can go there and not have the trauma that is always associated with dislocation.

I want to pause for a minute to thank all three of you up there and your colleagues that make up the Pennsylvania delegation for supporting our proposal that we have before the Secretary of Labor for $7.2 million of discretionary funds. We wish to keep the center operating for at least 18 months. We feel that we cannot do our work in six months or a year. We are not only looking at the population that will start being displaced at the end of this month. We are going back as far as 1983 to pick up those who were displaced before. I see you wrote in your legislation for TAA a provision reaching back as far as 1981. So we wanted to make sure we go back as far as we can to include whose who were involved in earlier layoffs. We opened the center and those people are now starting to be processed. We are very proud of that cooperation that the labor/management team has extended to us by doing a lot of outreach to them and finding out where those people are and then bringing them back into the system.

Unfortunately, we didn't have a rapid response effort when they were going out, but we do have it now because of the interest of Governor Casey. We are going to see that this rapid response be suited for the needs of these people as well.

This week, however, I was informed that we had a suicide at VW and nothing disturbs us more than seeing people whose life is so wrecked that they feel they have nothing else to live for and they commit suicide. We don't want any more suicides.

I have had enough plant closures and I think the only thing that keeps me going personally is because of the commitment and the interest of Governor Casey, Secretary Wofford, and that we can give other people hope. There has to be a different way and there has to be a better way. They are not at fault, can help the people that find their way into our dislocated workers' program. Be they trade impacted or non-trade impacted, they want to work and we

understand that it is our responsibility to see that they get this opportunity. If we have to restructure their lives by giving them training, we want to train them so that that they can get placed near the standard of living that they had. I am not interested in getting them a hamburger flipping job. They can get that without the assistance of the State. We want to do something different for them. We need to train and retrain our workforce. I understand that everyone is not a computer analyst, but there are other things that they may think of and there is a demand for in this State. As we look at this problem, we don't see it as an area problem. We see it as a regional problem and we see it as a State problem. We are trying to develop jobs anywhere in the State that they can perform. We know they are good citizens and we would like to keep them at home. However, we understand that some may find jobs outside of the State. Our primary concern is to try to keep them in this area, in this region, and within this State. I will make sure that all the things that I have said will be given to you in a lot better fashion.

I appreciate the fact that you are letting me speak.

Senator HEINZ. Frank, thank you very much and if the rest of us ever learned to read from prepared remarks the way you did, the country would be in better shape.

I would like to call on the last two members of our third panel, Ron Quinn and Barney Oursler. Ron, will you go first and we will let Barney bring up the rear and the rumble seat.

TESTIMONY OF RON QUINN, PRIVATE INDUSTRY COUNCIL, COUNTY OF ALLEGHENY

Mr. QUINN. Thank you, Senator. I am Ron Quinn. I am with the Allegheny County Department of Federal Programs, which is the agency which oversees the JTPA programs in Allegheny County.

As I listened to the comments made here, particularly of the affected workers here, it points out to me that the major issue here that needs to addressed beyond the issue of money under trade adjustment and that is the quality of the kinds of services that these individuals are going to receive and need to receive in order to take advantage of those funds, and as a result of that, what I have prepared for you is a rather lengthy description of the model of the program that we have here in Allegheny County and we call it the One-Stop Shop and I think a lot of people have picked up on that and we don't mind that and we think it is good that we have done something that other people like.

Senator HEINZ. Without objection, the entire description will be a part of the hearing record.[1] If you want to summarize it, go ahead.

Mr. QUINN. That is what I was intending to do, summarize it.

I think it is very important that what we have accomplished in Allegheny County has been paid for out of the Title 3 funds. Over a period of about three years, that has meant a little more than $3 million, and in that period of time, we have served well over 4,000 people. Over 2,000 of those people have terminated from the program and roughly 75 percent of them have gotten jobs, but that is really not the main thing that I want to talk about. What I want to

[1] See p. 43.

talk about is the need for this kind of a model because the individuals over here, as Mr. Taylor has talked about the need for assessment, and it is a very critical part of this process than just giving somebody the money to go to school without that assessment process and without testing and without sitting down and talking about those kinds of things with a professional counselor and going through a process is very important.

The first gentleman, Mr. Zielinski, talked about a lot of issues related to the problems he was having because he was not in school, depression and things of that nature, and that, too, has been addressed as we go through this process and that is why we designed the One-Stop Shop.

I have them listed on the first page of the goals of this program. It was, "To establish and maintain effective outreach and recruitment methods to ensure that all eligible residents of the County are aware of the services." That is an important point because there have to be ways to reach all of these individuals and there are people who are in this County who still don't know we exist and there has to be effective ways to get that message out.

I happen to have attached here a chart of the ways that we have contacted many major companies. It was, "To provide integrated services through the co-location of essential support services offered by other units of County government as well as the total network of human service agencies in the area." That is what makes it a One-Stop Shop, and that in addition to delivering both employment and training services, you deal with all of the other issues.

Very few people that come to us, dislocated workers, are ready to go to school the day they walk in the door. Occasionally, we get somebody who has everything planned out and they have gone to the school and they have done their work and they figured out what they want to do, but that is a rare case. Most individuals come to us not sure of what they want to do, and even if they have an idea of what they want to do, we find that there is a number of impediments that if they are not addressed, they are not going to go forward so all of those things need to be addressed, and they need to be addressed in many cases, simultaneously. While you are dealing with the employment and training issues, you begin to deal with all these other issues, too.

Most important, and No. 3, "To develop an assessment model that focuses on the individual needs of each client, maximizing the flexibility for obtaining the most effective individual employment plans within the context of the JTPA performance standards." And that is a very important point here because without an effective assessment model, people are going to wind up in the wrong programs and that is something that we don't want to do, and I can't emphasize enough that within the context of TAA, that this component needs to be established because without it, too many people are going to wind up going to school and not going to the appropriate school and so that assessment part is really critical, and I refer you to the description that we have here on page four.

From its inception, the goal of the Employment and Training Assessment of One-Stop Shop applicants has been two-fold:

One, to establish the most effective employability plan for each individual served by the Center; and

Two, to determine the capacities of these individuals to achieve the final objective to these plans, which unsubsidized employment.

Back to the first page, the final goal of our center is, "To establish and maintain services and programs which maximize the opportunities for assisting unemployed residents of Allegheny County to obtain meaningful unsubsidized jobs."

So involved in that is the Labor Market information so that the individual is not only thinking about what field he wants to go in to, but they know there is a job there. Attached to the model that deals with training also deals with the after training employment. So even after you got the training, many people still need to go through a process of learning how to get a job and it is critical that you build into the model something that deals with the whole issue of the job search.

And we think we are doing a pretty good job in that and there is an awful lot of flexibility under the JTPA program as the Deputy Secretary said that everybody does not have to go into the short-term training programs, and in Allegheny County, we have a list here of three pages of a variety of training programs which goes all the way from short-term programs to two year associate degree programs at community colleges as well as the Penn State campuses in the area, and I hope you will take the time to look at this model, and as you deal with the issue of the legislation, make sure that these kinds of provisions are made available to those individuals affected by trade adjustment as well as all the other dislocated workers.

Thank you.

Senator HEINZ. Ron, thank you very much.

Barney Oursler.

TESTIMONY OF BARNEY OURSLER, CODIRECTOR, UNEMPLOYED COUNCIL OF SOUTHWESTERN PENNSYLVANIA [1]

Mr. OURSLER. Senator and Congressmen, I feel a little bit uncomfortable testifying in front of you today and part of that is because it makes me feel uncomfortable to be recognized as an individual, when I do know it takes leadership, but I also know that our legislative leaders and the administration of the State and Federal Government don't pay attention to a couple of individuals or even a dozen of individuals or whatever they call themselves as leaders. They pay attention to numbers and to deep hurt that gets expressed by the people who are hurt, and that, I think is what we have been able to bring to you over the last couple of years about the issue of retraining, so I think the recognition not only has to go to Paul and myself and to our unemployed council, it has to go to some of the local leadership that have been on the front lines of this, and I think right in the audience right now is Mel Pasaten, the President of the UE 610 and Denny Miller, the President of the IUE 601 and Mike Stout, the leaders of the Homestead 1397 local and I think of Kinney Prevenslik, President of the UAW 2055 out in New Stanton. These are the folks that every day have to deal with these problems of survival of their members, but most impor-

[1] See p. 41 for Mr. Oursler's prepared statement.

tant is the members themselves and the members of our unemployed council, the thousands that have joined us in the last two years in this fight and the many thousands that are out there that are hurting and that are suffering in silence and frustration and taking it out on themselves and killing themselves and killing their families and losing the ability to ever get their lives back together.

The second frustration that I have is that I know that things have changed in the last year and a half, and I know that two years ago, you guys had not look at this very much and not because you were not doing nothing but because you had a lot of other priorities in your lives, but this was not moving. Trade Adjustment Assistance at the end of 1985 ended—the law ended and we asked Congressmen why and they said, well, no one is telling us about it and we are not hearing from back home.

Well, what we can do is to make sure that you all have us from back home to point to when you want to convince your fellow congressmen and senators that there is a need for a program. But it is something that when you are unemployed and someone said it is going to be six months to a year or three years before this thing takes affect, that is not something unemployed can hear, and we can only see to the end of our benefits and for most of the us that is about six months.

So you have to understand that while we are here being very supportive and encouraging because you all have done a hell of a lot of that, but from the other side people are hurting and we are hearing that anger and that frustration and you got to forgive us once in awhile that if that comes out in a way that offends you, but it is because it is real and it is felt and we are not making it up.

And I want to raise a couple of additional points. It feels a little funny to come after the testimony of the people who we think ought to be providing the solution at the county, State and Federal level. But I just want to say three things. The first is, is this JTPA an alternative for our members to retrain? For those people who are not Trade Adjustment Assistance eligible, it is the only alternative so we have to make it a better alternative than it is right now. We are hoping to work with our county JTPA Program in making that a real alternative to many, many workers who either have not been able to get TAA tuition money or who will never be eligible for it. But let me just point out that in this region, JTPA training is a disaster, and in Beaver County, they ran out of classroom training money two months into the program year and they will not provide testing and counseling because they don't have any classroom training left. If you are in Beaver County, you are out of luck.

In Westmoreland County, you were always out of luck. There is no classroom training and there never has been in Westmoreland County. So some of the places right next to Allegheny County, to us, are continuing disasters in terms of JTPA retraining.

Second, when there is a good JTPA Program, is there some way to make it work with the Trade Adjustment Assistance? It has been one of the amazing things to us that some of our people who are eligible for Trade Adjustment Assistance have gotten into JTPA training and had to drop out because they couldn't afford to live. No one in the State and county administration for years had

ever noticed that if you went into JTPA training that you could be eligible for Trade Adjustment Assistance cash payments and for job search and relocation when you completed it. And, if fact, our county commissioners set up a program using JTPA type funds called the dislocated workers' programs and thousands of our members spent as long as they possibly could towards two of retraining and thousands only having to drop out because they didn't have the cash benefits that they were owed all along and no one told them about it, and we think it is vital that the OES sends people, that the employment systems sends people to JTPA when there is no tuition money through TAA people and that JTPA sends people over to the OES to get approval so that they can get their cash and they can get their job search and relocation.

And, third, this problem with testing an assessment or as we put it, what am I going to do with my life now that I have lost the old one? What is the reality of that? If you are a worker that has worked in one of these big plants in the area and in one of these mines and one of these factories and in one of those mills, that was your life and that was your life before you got the job and because you are following many, many times in the footsteps of your parents and your grandparents and that was is what you were expected to do with your life.

So if you went and completed high school, you probably didn't pay a hell of a lot of attention because you knew that you were going to work in a mill and that was the best job around, and for thousands and thousands of us out here that have lost those good jobs of the past, and we are not looking to get back to them and we want to save every one of them that we can and you all have been instrumental in helping us to fight to save Dorothy and to fight to save the electric furnaces in the South side in many battles like that, but for most of us, we are looking towards a new future. What do we do to get started on that? When your whole life is focused on that one job and you were following in the footsteps of your parents, you didn't need career counseling. Now, you got to find out what to heck you can do and you go to find out what the job market is and there is very little by the way of help in that regard.

The Federal Government says that if you are Trade Adjustment Assistance eligible and that the OES and the unemployment office must provide some testing and counseling for you in order to get you to use your training right, and in this State the State administration, and the previous Governor fired all testing and counseling staff of the unemployment system in 1980 and they never brought them back and there is no means to accomplish what is a Federal law and regulations so we look at JTPA to do that. And we have found, we hope, in Allegheny County a model and we will be working very closely with that model to make sure that it follows through with its promises, but we think that we have got a model there to do it. We are very concerned that some of the additional money that is coming into this State and we are talking making some special request for discretionary funds and for things like, that a significant portion of that is directed to the testing and counseling so that workers can know what to do so they don't go to training someplace because their buddy happened to go and they

think that they can get through it, and it is the most serious thing that they have ever faced in their life and they need help to be able to do it right.

Let me close by thanking you again for coming again to hear from us and especially to hear the updates because many times we get heard from once and that is the end of it, and it pleases us a great deal to hear that you are interested in the progress and the remaining problems that we have, and we think that you all have done a marvelous job on the Trade Act and we heard some very valuable things on the current status of the conference committee and perhaps you could fill us in a little bit on that, but again we are dedicated to following through as long as it takes to getting our members access to these programs and you are looking at a roomful of people who are very serious about that.

Thank you.

Senator HEINZ. I think Joe and Jack and I will have plenty of questions, but I am going to limit myself initially to the one question which I am going to ask each of you, or at least one person on each of the panels, to respond as briefly as you can to, but I think it is a very pertinent, timely question and it has to do with where we are on the trade bill right now. It is my understanding that the House conferees made an offer to the Senate, and as I understand that offer, it would work as follows:

First, the secondary workers, the kind of people that Frank Mont was referring to at CSX, would be stricken, cut out of the bill. Second, the import fee which we have in the Senate bill would not be made mandatory under the Senate legislation—I can't speak with authority on the House bill—and it would become effective after two years and there was no gap ruling against it. Third, the reach back, which some of you have talked about and Paul has mentioned and the reason Tom mentioned the Jakiela decision, the reach back would be kept, but would be available only to those continually unemployed since separation, and that means I suppose that if you had gotten a job any time since 1981 or 1982, you would be out of luck.

Workers would be entitled to training as of the date of enactment and the $4,000 voucher would be eliminated but what that would really mean is that the OES would operate it pretty much as it does now. That is, it would pay the schools directly for training only from that predetermined, pre-approved list of training programs.

I would like to ask for comments on this and let me start, because you administer this program, with either Tom or Frank or whomever wants to tackle it. Since this is TAA, it is probably more appropriate for Tom since Frank pretty much talked about JTAA.

Mr. FOLEY. We obviously feel strongly about the secondary workers issue and Frank gave the example from the recent VW situation and it doesn't make any sense, and the Governor remarked recently that people that are unemployed because they worked in secondary plants are no less unemployed than those in primary plants, and that is a big strong issue for us and our hands are tied to an extent with the CSX because the current Trade Act does not allow us to go right in there in the normal way.

And the same is true on the reach back provision. You know Harris has talked to the Governor about the approach that we are talking about and Governor Casey said, let's do it and we are going against the Department of Labor's interpretation and we are going to keep going against it, and if we could get the full reach back provision, that would obviously make us happy and we wouldn't have to keep bickering with them in one letter after the other and threats of lawsuits and all this kind of thing. So we have very hard, strong feelings on both of those things and obviously we also support the import fee approach.

Senator HEINZ. But from your point of view, having those secondary workers and the reach back is critical. I think that probably all three of us totally agree with you on all of that.

Barney or Ron, and let me ask Barney specifically, and I think I will have some questions on the One-Stop Shop, but what further comments would you make? Our job in the Senate, by the way, will be to try to get a consensus on a counter-offer that hopefully will improve significantly on this. Is there anything else that we should insist on or change?

Mr. OURSLER. I want to refer to one and I will ask Paul to refer to the other one. It is very exciting for us to hear that there might be an entitlement to training and especially to hear that the cap was taken off of that.

In Pennsylvania, the average cost of retraining is $7,700 or somewhere in that area and that entitles workers to choosing whatever training program they want to go into and the problem is that when you are looking at a life that has been devoted to one kind of work and you got to go into a whole new kind of work, and it takes two years to retrain and it is not simple to become a health care worker or an information age worker when you used to be a steel worker or railroad worker and so that is very exciting to hear and the biggest gap in the whole program with the State backing us up on the 210 waiver and on the Jakiela decision and we have been able to get access to the TRA cash benefits and the problem has done without the training money, you can't put those to the best use so to hear that there is an entitlement and to hear it is uncapped, that is very exciting news, and for the response to the rest, if I could ask Paul to comment.

Senator HEINZ. Paul.

Mr. LODICO. Obviously, we are very supportive of covering the secondary workers in this area, and in addition to the CSX workers who are mentioned and miners are a large number, and it is a very strange situation when you have to explain to a miner, that he or she is not eligible, but their co-workers because they work for a capped mine is eligible and it gets very strange that way and this would just introduce a little more equity to it so we strongly back that.

In terms of what Barney mentioned, yes, and not just what he mentioned and there are many little hidden provisions in there and no more will the Howard Kelly's or when Leonard Zielinski or Paul Taylor get into training, they won't miss that Christmas break and they will get that week and they will get that check and there is lots of other good things in there.

Senator HEINZ. Paul, let me interrupt at this point. Now, Leonard Zielinski described a situation where he has had over a number of years a variety of different kinds of jobs. Isn't that right, Leonard?

Mr. ZIELINSKI. Yes.

Senator HEINZ. Now, as I understand what has been proposed by the conferees, he would not be eligible for a reach back and, therefore, he would not have the opportunity if this became law to further pursue his training. Do I understand his situation, Paul?

Mr. LODICO. Yes, and that is the situation of many because we are survivors and you have to do what you can temporarily to survive while you are remaking your life and what we would suggest there is a small change, and the small change would be something that would restrict it to folks who have not found suitable employment since they lost their old jobs, so that if somebody found a good job, they can't quit it and come back and go into training and that is not some way to beat the system and there are some well-defined, articulated guidelines in there and I think you can take that message back and we would certainly—Leonard and many others would be very, very grateful and it still takes care of some of the concerns on the other side to restrict it to those that have not found suitable employment since that date.

And, second, in terms of the import fee, let me just say that we don't really care how you fund it, but please fund it and don't make it a hoax and don't give us with the one hand and take it back because the damn thing is not funded, and when you pass it, pass it clean and clear and let us finally celebrate.

Senator HEINZ. Gentlemen, thank you and I will yield to Congressman Joe Gaydos.

Congressman GAYDOS. Thank you very much, Senator.

Let me ask a couple of practical questions and anybody can respond if they want. This first question, however, and let me direct it to Frank Mont.

Frank, the bill directs and we are talking about HR-3 and that is what we are talking about. In there, and I guess you are following it or you have people that are following it.

Mr. MONT. Yes.

Congressman GAYDOS. But, in that bill, we have directed each State and they would be directed to establish a tripartite council to oversee the operation of the new program, and that is if many things occur and if we get an agreement between the House and the Senate bill and the President signs this thing, and the council would be composed of equal numbers of representatives from labor, management and public and non-profit organizations, and in addition, the bill requires each state to designate a rapid response team which you had talked about or offices in the state government which can respond immediately to major plant closings and these teams would assist workers of such and such.

And my question to you is, is that adequate in the bill? Could you work with it because as I interpret you and Tom Foley's remarks, you kind of inherited something that was not working too well and there was a reluctancy on the part of the state in certain areas.

Now, what you said is that you got a new direction and you are dedicated. Now, how about this section in here? Is that going to help you? Is it adequate? That is my question. We all have to know, all three of us, because we are having that thrust at us.

Mr. MONT. Part of the section, I think, would be right on target with what Governor Casey is trying to do. Even without the bill, we recognize the need for the rapid response and he has even permitted us to bring on somebody who specializes and who will head up all this besides me. And the other part of the bill when you are talking about restructuring and when you talk about establishing another oversight committee. Under JTPA, we already have the State job trade coordinating committee and their function is the oversight responsibility over all the JTPA, and unless you are going to do something about taking Title 3 completely away from JTPA, then you would have two governing bodies, and I would rather see—and I believe the Governor would probably be in agreement and I think he has spoken out on this—that if you would restructure maybe the present system and talk about change in that complement so that the complement can be greater and reflect the labor movement and assist private citizens and things like that. Rather than start a second system, I would rather see that come out of the bill.

Congressman GAYDOS. Let me ask another question and anybody can respond on this.

The funds under this bill incidentally which come from this special category where we have violations, et cetera, and supposing the special funds and they would then be made available to take care of these costs.

Now, these funds under the bill would be distributed among the states based on a weighted formula which takes into account each State's unemployment rate and its unemployment rate relative to other States and its long-term unemployment rate.

Now, is our State satisfied with that? Will we get a fair shake? That is what I want to know with that distribution formula. Does anyone have any comments so that we can argue with our colleagues. Do you want to respond to that, Tom? What is the matter with that?

Mr. FOLEY. The problem that we would much prefer is that if they are going to have a weighted formula that it would be regionally based. You know unemployment in the Mon Valley is a lot higher than unemployment in Montgomery County, and it doesn't make any sense to say that Pennsylvania has a 5.2 percent unemployment rate, which is less than the national average right now. And it doesn't help us if that is the way the formula works and we would much more prefer that they come up with some kind of regional basis otherwise in States like ours where you have high pockets of unemployment with other counties, and in Lancaster County it is 2.6 percent and it really ruins the curve for us and we really oppose that kind of a weighted formula. It is a reason that we lose $10.4 million in JTPA funding next year because they use a formula that is State based rather than region based.

Congressman GAYDOS. It is quite important that we know and we have direction. Does anybody else want to respond to that?

Ron.

Mr. QUINN. I think that is defining the long-term unemployed, and right now I don't know who those people are, but there are an awful lot of people in this room that are not considered unemployed because they have been out of work for so long so I don't know how to get those numbers, but I think it is critical to deal with that whole issue because the real problem in the State of Pennsylvania is the discouraged worker who is no longer counted and he needs to be factored into this.

Congressman GAYDOS. I am asking these questions but I would like to point out to those that are here——

Congressman MURTHA. Do you have any suggestions, Ron, as to how we can solve that problem? That is a big problem in Pennsylvania and we have areas in part of my district where they claim there is 50 percent unemployment and I know it is near that figure and yet it shows 10, 9 or 8 percent unemployment.

Mr. QUINN. We have been trying to get statistics I know in our program and it is a number that is not being maintained, and in the long term, I think there has to be a different way that the unemployment compensation system counts people and continues to count them.

Senator HEINZ. Ron, if I may just jump in. Let me ask either you or Tom whether the unemployment insurance exhaustion rate would be a better factor, that is, that you have gone all the way to the end and then lost it and would that be a better way of weighting, if we had to weight?

Mr. QUINN. I don't know.

Mr. FOLEY. I don't have an expert opinion on that but we think that might be a better way to go. I did want to say one other thing to follow up on the discussion before that. There is a Bureau of Research and Statistics in the Department of Labor and Industry in the State and it takes all that it is required under Federal law to take all of the unemployment compensation data and all of that and they have to produce all kinds of information to send back to the Feds to justify our program, and they break down—and they can break down unemployment into regions and there are certain limits to that but they can break it down into regions and we can see what the unemployment rate is in the Mon Valley versus Lancaster County or any other areas, and the date is there to come up with another approach.

Mr. OURSLER. If I might also add. I think there is a big group of people that are left out of that and I don't think that you mean to do that, but for most of the us as Paul pointed out a couple of minutes ago, for most of us, when you run out of benefits, you have too many assets to be able to qualify for welfare. Even if you could survive on that low level of cash payments, which very few of us can if you have a family and you got a couple of things to support, but most of us go and get jobs and we take those shitty jobs that are part-time and very close to minimum wage and many of us are working for less than minimum wage, and those people are underemployed and they are not unemployed in anybody's category.

If you work an hour a month in the Federal Government's estimation, you are, in fact, employed for their purposes, and one of the things that we discovered and Leonard Zielinski mentioned that he went to a meeting with a thousand other workers over here

at the 1408 union hall that used to be, and at that meeting we saw a thousand workers, the vast majority of whom had been out of work for many, many years from their good jobs and the majority of whom had others things that they were doing, but we put out a post card to them saying, you might be able to retrain, come to this meeting and find out about it, and we couldn't find enough room to pack them in. It took us five more meetings just to meet all the people that tried to get into that. So I think workers in this region really feel that they have not had a chance to remake their lives just because they got one of those crummy jobs and they want a shot to really remake their lives.

Congressman GAYDOS. I have a couple of more technical questions and I have to have them answered because I am trying to emphasize to our people here today and our citizens and also the witnesses that the three of us along with around 93 at one time or another individuals on this conference and they will come in for a half day or 20 minutes or an hour and it is a very complicated conference and something is going to fall through the cracks. I know it.

I have been done there long enough to know and you fellows have, too, to know how complicated the issue is down here. And, for instance, if we have a job opening or two here in our area and we get 2,000 or 3,000 individuals lining up to apply for those two or three crummy jobs, and if I tell my colleagues down in Washington from Atlanta, which is one of the great guns, or from Boston, they don't believe it. It is impossible. They can't comprehend it. But you see we have a selling job to do among our colleagues on that joint conference and some have never experienced what we are doing here, and I try to get them to come out out here, but it is very difficult. So I want you to know is that the reason that we ask these questions and depend many times on a lot of the documentation and evidence and research from all of our witnesses right here in front of us, and I want our citizens to know is because we don't have the capabilities to do it ourselves and we depend in many instances on the information that Paul, you and Barney, and the Secretary makes available to us, and many times we call the Secretary of Pennsylvania and ask how is this going to affect Pennsylvania on another matter.

So let me just this question and I got a million to ask, and I am going to have to get them in on a series of interrogatories.

I want to point out that somebody raised a question about community colleges. In the bill, under Title 5, and you are probably in cognizant of it, we have specifically a provision in there for the community colleges as far as being utilized in our particular area, and I think that would be in response to someone who asked that question, and let me also point out that under the bills that we have to maybe ask your opinion. We have under the bill provided this: worker readjustment which would provide comprehensive services to dislocated workers and I don't want to go into all of the details because we are pretty familiar with it who have lost their jobs due to plants closings, layoffs or other major destructions. This includes, but is not limited to workers directly affected by increased imports and remember we are dealing with an import bill, H.R. 3, and I am asking this question of all of my colleagues and of

all the witnesses that we have here today. Does that belong in there or is that going to confuse it? Is it acceptable to you to not only just take those that are affected by imports, but also plant closings, relocations and things like that, and I think we should have that information before us, John, in our committee deliberations.

Mr. MONT. Governor Casey will support that wholeheartedly and so do we because we see it as more than a trade impact problem. We see it not only as a ripple problem, but we see a lot people who have not been affected by trade, but who have just as well lost their jobs and something needs to be done to address all these concerns and see that there is adequate funding going in there, and as Tom pointed out, we have lost over $10 million in title 2A funds coming into the state and that means that reduces down the ability of people like ron and them to serve a lot of these workers. A lot of our workers and dislocated workers always don't come to Title 3 programs and a lot of them find there way through to 2A program and they have been very inventive on how are we going to serve these people, so as broad as we can make it, that is the happiest that we can be.

Congressman GAYDOS. One final observation on my part, I will turn it back over to the Senator. I am a little afraid myself, Barney, and all of you fellows that if we have limited funds which there probably will be in this bill. You know we always have that problem with funds. Assuming that and then we have a problem that springs directly or flows directly from the fact of the foreign imports coming in, and then we have in conjunction the competition from an individual company such as Westinghouse picking up and leaving, and then we have them leaving creating unemployment here and we have another plant that is being shut down because of foreign imports coming in.

Now, under this act that we have and again this is the H.R. 3, a trade bill, are we getting into some conflicts as to who do you take care of first and can you take care of both of them? Under the act that is written, there is a special title that they will all come under it and I wonder whether or not or maybe we are squeezing our own relief off by getting it complicated with other types of problems that we may have, and that is what we should also know as joint conferees on the bill because this is heavy stuff, and this is very complicated information and we rely upon your know how and ability, and if you will make that your stuff available, and, Barney, maybe you guys can think about it, and I know it is a tough question to ask and maybe you can analyze it and get it back to the Senator and I and at least we will have an opinion and we would like to have it from the state, too, because it is a very, very delicate point and I would hate like heck to come back after we go through all of this stuff and have a bill and then be told, boy, you people have really fouled up in this joint conference and you got this all complicated and one outshines the other and one cancels this out and we got all kinds problems with this.

Senator.

Mr. LODICO. Thank you very much. I would like to take a quick moment to respond. No. 1, most of us in this room and most people in the Valley lost their jobs due to imports and certified as such,

and under that bill, there is a different level of benefits that come whether you are trade impacted or not trade impacted.

There is something extra that comes from trade impact and that is partly because it was Congress's trade policies that you designed for the maximum good of the country as a whole that put us on the street so we get a little kiss that goes with losing the job, but we also realize that our brothers and sisters who are out of work need some help and need some assistance and need good and well designed programs, too.

Congressman GAYDOS. You are all included in here just so we know it and I am not adverse to it, and I am just suggesting to you that we give it a very critical analysis so that we don't find ourselves behind the eight ball and cancel ourselves out on our problems.

Senator, may I just explain Congressman Murtha's absence. He had another appointment to go to and he said if you would be so kind to make sure that you mention it to the good Senator and make the announcement that he would like to stay here but he had a prior commitment and he had to leave.

Senator HEINZ. I thank you for making that announcement.

Before I ask any more questions, I just want to commend a young man named Jerry Struthers who really rushed into the breach and who is probably in a state of shock that I mentioned his name, who in the darkest hour found lights, found action and let the show go on, and Jerry, I know you didn't seek fame, but I congratulate you on your promptness, your productivity and your efforts.

I want to ask you a few questions that have to do with the service-delivery system. We all recognize and everybody has testified to the major problems. The major problems being the lack of money and the real inability of the program reaching back to help those that it should have helped in the first place. Barney has pointed out that he likes that part of the House offer that eliminates the cap on training, and I agree with him totally, but some very intriguing questions have arisen in my mind here. One, in fact, which Barney brought up, is how can we better integrate to the extent necessary, and it will be less necessary if we have more money, but how can we integrate JTPA with TAA when necessary? I would like to ask either Frank or Tom what barriers they see under current law and, hopefully, we will change the law and the barriers that exist or the problems that have been created will then be eliminated or minimized. But how big a problem is it to integrate the two programs when you have someone who is eligible for TAA training, the training money has run out and there may be money available for JTPA training and a TAA stipend—how difficult or impossible is it to merge in some sensible way the benefits of those two programs?

Mr. MONT. It is not impossible at all. All it takes from our part and the part of the service delivery areas and those people who are also involved from the OES a lot better coordination than what we have done in the past because one of the things that they legitimately raised here today and something that has been thrust upon me a little while ago is when we did the teleconference and one of their people got up and spoke about their concerns, their concerns

for assessment and now Ron spoke very eloquently of what is going on here in Allegheny County at the One-Stop Shop, and we have not found that everywhere and someplaces are doing that, and what we are proposing to do, Senator, and we are going to a demonstration with the people at VW and also at Allentown MAC, and also at Beaver Valley with people who are trade impacted and dislocated workers who are non-trade impacted to see about this whole question of counseling in assessments as it relates to career choices, and we also want to do it for TAA people and we also want to do it for non-TAA people because they need good counseling and career assessing, too, so what our training goes for is the best we can buy along with their desires and abilities.

We are hoping to discover from that something that we feel that we already know but we are going to do it by independent people without any coercion to find out what it is going to tell us, and then if we find the results that are going to satisfy what we think that we know, and we are going to start making this as part of the process as we send out requests for proposals that anyone that wants to do a dislocated workers' program, you are going to have to build into it this, this component of assessment in counseling as it relates to career choices so we are looking at that and we already said that if there is money and there are programs going, and if OES can't do the counseling and things like that that we have in Allegheny County or we have in the Lehigh Valley picking things like that, there is nothing wrong with doing JTPA funds to have those people assessed to see if they can get good career choices.

Senator HEINZ. Let me ask a specific question of you. As, I guess, Barney pointed out there that for TAA eligibles, there have been for quite some time no meaningful numbers of testing, evaluation or personnel at the State level and that those were not problems that you created, rather, ones that you inherited. What are you, if anything, trying to do about that right now?

Mr. FOLEY. Let me take that and then I will go back to Frank's earlier point.

My understanding is that the question came up this morning before we came here that though that is outlined in the Trade Act and there is supposed to be this kind of counseling, and at this point in time, it is not lined itemed in the funding. There may be and Andrew may know the legislation better than I sitting behind you, but that is what I was told this morning, and I will look more into that question and that was my understanding at that point. But let me go back to your earlier question because I think that is a very important question. When I introduced Frank this morning, I said that Frank is our Deputy Secretary for job training, and when Harris Wofford came to this department, Governor Casey's commissioned this task force and found 22 different bureaus of government that administered job training money and a number of them were within our bureau. And our aim was let's make Frank in charge of all of it, and it makes a lot more sense of having one person administering it and we found that it is a lot easier said than done.

The office of Employment Security is a totally—it is a Federal program with 3,000 employees that all work for the Department of Labor and Industry in 150 offices across the state, and that is an

easy operation because when we come up with a direction, and if we can legally justify it in Jakiela, et cetera, and if we have to go to war with the Department of Labor, but we can put that out and get the people who work for the department to carry that program out.

I called Frank the miracle man because JTPA, as you know, is structured totally differently, and Frank, in fact only has 40 people in Harrisburg who work on JTPA programs and there are 28 service delivery areas in this State and 27 private industry councils in the state set up under the original Federal legislation about four years ago, who have a great deal of independence in the operation of those programs, who do not in any sense work for us and they are community based.

And it is much harder to kind of force that integration, and I call Frank the miracle man because he has been able with a relatively small staff to really get a lot of cooperation and to get people working together, but we see that as a major structural barrier to making these programs always complement, and Frank, pulled out of his pocket last year to find $2.9 million in JTPA funding to transfer into dislocated worker programs and that is hard when we really don't control the system and it is a special concern because I know that the House conferees' package proposes automatically giving 50 or 60 percent of the Title 3 funds directly to the service delivery areas which gives us even less discretion and control over how we merge and run those programs. Your point is well taken and they are all job training programs whether trade impacted or non-trade impacted and it will be a lot easier for regional areas to deal with these problems if they had a very consistent base from which to do so.

Mr. QUINN. I would just like to make one comment on that. I think it is important that we look at the systems that are in place right now, and Tom is absolutely right that there is a variety of ways that this is being done, and as Barney already pointed out, Westmoreland County does not provide classroom training for Title 3 people, but what has happened is that JTPA has taken the lead role in doing the assessment and evaluation because these functions which used to be under OES, Manpower development training a long time ago were wiped out. Since there is in place something that is doing that in many places and doing it effectively and anything—or any model that is going to come down ought to take into account what is there and develop coordinations as we are attempting to do here know with the Governor's initiative with the job centers and we have located people here in the McKeesport OES office so that we can do that better. But giving the OES system this function back, I think would be a tremendous duplication of effort and an expense that does not need to be added on and it is a better way to coordinate the two systems.

Senator HEINZ. I want to ask Paul Taylor a question, as a user or potential user of this support system that we are trying to piece together and improve. Paul, you mentioned, I believe, that your brother is very active in the Mon Valley Unemployed Committee and, therefore, you have been able to get a little extra advice. If you, or your brother for that matter, had not linked up with the Mon Valley Unemployed Committee, what do you think you would

have done or would be doing about seeking any evaluation, testing, counseling or training? What would you have been doing if you had not found, in a sense, expert help?

Mr. TAYLOR. Senator Heinz, do you mean general knowledge that I would not know anything about this unemployed committee?

Senator HEINZ. Let's assume that you were just the "average Joe."

Mr. TAYLOR. Well, of course in the area, this Unemployed Committee, they get a lot of, I would say, publicity so I would feel that I have knowledge of them and I can go to them and seek the information that I need as to what do to once I am unemployed and look for this funding and TR training and also the unemployment offices should give me information on this subject.

Senator HEINZ. Have you been to an unemployment office?

Mr. TAYLOR. Yes, I deal with the McKeesport unemployment office plus we have an office down there in the East Pittsburgh area, and I am not into most of this program yet because I am an active employee and I am trying to gain information so that when I do reach this state in my life that I have most of my answers ready to go.

Senator HEINZ. If there are any people——

Mr. MONT. If I could just interrupt you for a minute.

Senator HEINZ. Sure, Frank.

Mr. MONT. He said something that triggered something in my memory that I wanted to speak to because he made a reference to the unemployment office and what is where our problem has been for all too long now. It has become an unemployment office, and as you read the Governor's report on job—on education and job training, he has embraced our new concept of when we talk about job centers, and as Ron talked about that and how they are participating here in McKeesport, and we got one to get ready to launch in Erie and a couple other places in the State.

We are going to turn those offices away from being unemployment offices and we want to talk about job centers. From the time you come through that door, we got one function and that is to get you a job and not just to come there and sign up for income maintenance, but to get you in a job and do what we have to do to get you in the job from all these different systems. Training or retraining or if it comes to remediation, child care, whatever needs to be provided, and as we build this and every one is being built a little differently because we are building from the bottom up because we have to have the community input into what the center is to look like in their area so that they know what their needs are and it is not going to come down from Mt. Sinai and it is going to come up from the Valley and it is going to tell us what we are going to do and we got to change this whole focus and I am talking about unemployment and we got to talk about jobs.

Senator HEINZ. Frank, I think that is a very good concluding comment.

I was about to say to those people in the audience who have lost their jobs or are about to lose their jobs and have not received training that I hope they are people who by extension will hear about what we covered today through the news media—radio, tele-

vision and press—and will understand what Congressmen Gaydos, Murtha and I, and others, are trying to do.

Second, what opportunities currently are available. There still are, in spite of the fact that we are sailing awfully close to the wind on money, a good many services and types of help available although the waiting list for TAA is getting awfully long and we intend to do something about that, that they will take advantage of what they learned today.

And, third, I think those of us in the House and Senate who will hopefully be able to influence our colleagues on conferences and subconferences will be able to meet the priorities which frankly are pretty clear. These are: money, reach back, and the ability to make sure that there is a very high roof over any training program so that the training that is needed can be gotten. I hope all of the service providers, who I know are trying very hard to do their very best, will keep that effort up. You know that we are behind you and we appreciate the work you do for our mutual constituents and we all recognize that there is a hell of a big job to be done, and I think we are committed to doing it.

Let me in conclusion recognize my friend and colleague, Joe Gaydos, who has probably spent more time and effort on these matters than all the rest of us combined in his services on the labor and education committee.

Joe.

Congressman GAYDOS. You are very kind, Senator. Let me just say this. I know that Senator Heinz and I and Congressman Murtha that was here are all in unison and we have great concern about weakening this H.R. 3. We call it Trade Assistance. It is a trade bill and we have a special fund from trade infractions, and we got to watch that we don't have it so diversified and so watered down that we lose sight of what we are trying to do, and second, I just want to take this opportunity to inform our people here that the steel caucus, although not perfect in not being able to do and accomplish a lot of things that we would like to do is a very effective instrumentality in Washington, as I think Barney and Paul knows, and we try to get some cohesion down there to particularly take care of our steel issues that are particular up here and I went down—Senator Heinz, myself, and Congressman Murtha, went before Carter and we have pictures to prove it where we claim way back then we had problems and we went in with Ford and we came right down right here with Reagan and we have been in the White House on numerous occasions, and John, the Senator, would take care of the Senate side, and Jack Murtha and I, we switch our leadership between him and me, would take care of the House side.

I want you to know regardless of political affiliations, that we think we have done a job down there and, again, I want to emphasize in closing that the only job that we can do nine times out of ten is based upon that information you make available to us from the grass roots and your research is very valuable to us. Isn't it, Senator?

Senator HEINZ. Yes.

Congressman GAYDOS. So with that, I want to conclude my aspect and my part of this program by saying again, thank you, and I want to thank the good Senator for taking time out of a very busy

schedule to come here in little McKeesport and give us an opportunity to spread on the record these important things which hopefully we will accommodate in a better Trade Bill.

Thank you very much, Senator.

Senator HEINZ. Thank you. Are there any further comments from the witnesses or did we leave anything out?

Mr. OURSLER. Senator, just on behalf of everyone here, I would like to thank you for once again coming to listen to us and we once again call on you to go back to your jobs and to continue the fight on our behalf.

Thank you.

Senator HEINZ. We will. Thank you, Barney.

[Whereupon, at 12 p.m., the hearing was concluded.]

85-713 (56)

APPENDIX

OVERSIGHT HEARING ON JOB TRAINING & EMPLOYMENT SERVICES
Subcommittee on Government Efficiency, Federalism and
The District of Columbia
March 11, 1988
McKeesport, Pennsylvania

Good morning. My name is Tom Foley. I am the Executive Deputy Secretary at the Department of Labor and Industry for the Commonwealth of Pennsylvania. That sounds like a fancy title, but in fact it means simply that it is my job to match actions with words, to make sure that we carry out our promises, and to get the job done.

Given that mandate, I have a personal and strong interest in job training efforts in the Commonwealth of Pennsylvania. It is the mission of our Department to match the strong work force of this state with the work that is available in it. And we are constantly searching for better ways to do that, and to be quite frank, for more money with which to do it.

I am here today with Franklin Mont who is our Deputy Secretary for Labor and Industry and who carries on his shoulders the burden of our Job Training Partnership Act. They are strong shoulders, and I will leave it to Frank to discuss the state of the JTPA program, and the financing which is key to its effective administration.

I will take just a few minutes of your time to extend on a discussion that Secretary ofLabor and Industry Harris Wofford began with you in his appearance at the last hearing which you chaired on this subject. And I will do that by focusing on Trade Readjustment Assistance and four elements of that assistance.

Training Funds

I tell you nothing that you do not already know when I report to you that the shortage of training funds under the Trade Adjustment Assistance Act continues to handicap our abilities to put all individuals who are eligible, ready, willing and able into training opportunities that lead to work. I know that this is the constant lament of not just the Commonwealth of Pennsylvania. I know also however, that without adequate funding we cannot carry out the mandates of the Trade Adjustment Assistance Act, and move Pennsylvanians off the unemployment rolls and on to the assembly line, the shop floor, the craft or into any other work place.

As you may know, we recently received $6.1 million of the $8.9 million that we had requested in supplementary funds from the United States Department of Labor. That money will enable us to put another 650 individuals into trade act approved training programs. This carries us forward from last December 1. Up until that point, December 1, 1987, we had through the energy and requests of Secretary Wofford and Governor Casey been able to fund every single qualified trade act applicant on the rolls to that date. This new money will enable us to pick up the next 650

people who have gone on to the list since that date. That is the good news.

The bad news is that as of the end of February even with this $6.1 million we will still have 3,500 individuals in the Commonwealth of Pennsylvania who have been approved for training but who cannot begin a training program because of the lack of federal funds to pay for it. And that list continues to grow at the rate of 300 to 400 additional eligible applicants every single month.

So the lack of training funds is the single most important issue for Governor Casey in Trade Adjustment Assistance Programs.

Jakiela

Last year, Secretary Wofford reported to you on our opposition to the United States Department of Labor's interpretation of eligibility periods under Trade Readjustment Allowances. Our view and our analysis of the federal law led us to believe that an individual's entitlement to Trade Readjustment Allowances should not begin until the individual has exhausted all of their entitlements to unemployment insurance benefits, at both the state and federal level.

In contrast to this position, the United States Department of Labor has been instructing states to toll the Trade Readjustment Allowance eligibility period from the end of the individual's first claim for unemployment insurance. This federal interpretation meant simply that many workers -- particularly those who were in the unique situation of being laid off and recalled several times before the plants were finally closed -- were ruled ineligible for benefits before they were ever in a realistic position to apply.

We felt and feel strongly that this interpretation is in direct opposition to the purpose and intent of Congress in establishing the program. And since Governor Casey came into office, we have not followed that interpretation.

We appreciate the support that you Senator Heinz have given us on this position. I bring with me today a copy of our latest correspondence in our pre-litigation battle with the Department of Labor on this very issue. I will summarize that correspondence by simply pointing out that our objections to the federal interpretation have been registered but not accepted by the Department of Labor and its regional administrator, headquartered in Philadelphia. In an interim response to Secretary Wofford, Regional Administrator Bill Haltigan has requested a list of the corrective actions that we have taken or plan to take to modify or change our interpretation of the federal law as it affects the Jakiela decision. The letter that I tender to you this morning was our response to that request.

In spite of your earlier support, we do believe that it will be necessary for some amendment to the Trade Act that would preclude the Secretary of Labor from sanctioning the Commonwealth of Pennsylvania. The position that we have taken, as you know, is directly in concert with

amendments that you have proposed at the federal level, amendments that would grant the payment of Trade Act benefits to individuals unemployed in similar circumstances. We do not believe the issue is unique to Pennsylvania. We do believe that Pennsylvania is ahead of the curve in recognizing this anomaly in the federal interpretation of the Trade Readjustment Allowances eligibility period. And we ask for your continued assistance and appropriate legislative action.

210 Day Rule

When Governor Casey took office, his Secretary of Labor and Industry Harris Wofford discovered that a number of workers had been misinformed or not informed at all about their Trade Act benefits.

Specifically, we discovered that between October 1, 1981 and August 1, 1986, the informational pamphlet describing Trade Readjustment Allownances did not inform workers of the existence and significance of the 210 day filing deadline. We also discovered that Section 225 of the Trade Act requires that just such a notice be formally given to each potential claimant. The result is obvious. Many, many Pennsylvania workers did not receive adequate information on Trade Readjustment Allowances, and were denied those benfits as a matter of course.

We believe that the lack of information in the pamphlet was an honest mistake. However, we do not believe that dislocated Pennsylvania workers should suffer because of someone else's honest mistake. Because of that belief, Governor Casey instituted a waiver procedure under which those applicants who were never informed of their full benefits would be entitled to apply for and receive them.

As you know, the US Department of Labor has disagreed with our approach to the waiver procedure and has formally notified us that it is commencing what are called "conformity" proceedings against the Commonwealth of Pennsylvania.

We believe that the case on behalf of the workers of this state is a clear one. We will need your support and that of all your colleagues who represent Pennsylvania in Congress to ensure that not only the state not be penalized for taking this affirmative and positive action, but that the dislocated workers of Pennsylvania receive the benefits to which they are entitled under federal law.

The Ripple Effect

When plants close or shut down as a result of an increase in imports, it is not only the workers at that plant who are thrown out of their jobs. In many cases workers in plants or operations that are feeder industries or service suppliers to that plant are also adversely affected. Yet under the existing statutory provisions of the Trade Act, only those workers at the original plant -- the plant primarily affected by a shutdown -- are eligible to receive benefits under this federal program. You and I both know that this does not make sense. Governor Casey has made it clear that workers who are laid off at secondary industries are not one bit less unemployed than the workers laid off at the primary industry. We urge you

strongly to continue that course of action which will extend the eligibility of the Trade Act to workers in secondary industries.

I trust that I have picked up most of the threads from the testimony that you received from Secretary of Labor and Industry Harris Wofford some months ago. It is imperative that action be taken to assist the workers in Pennsylvania on all four of these fronts: sufficient training funds, upholding the Jakiela decision, preserving our waiver approach to the 210 day rule, and combatting the ripple affect of plant shutdowns. Thank you for your time.

My name is Barney Oursler. I am Co-Director of the Unemployed Council of Southwestern Pennsylvania. Since late 1985 my life has been overwhelmed with TAA & TRA. I sure would like to see the program straightened-out and the state administration of it run right. Our people are owed these benefits and we'll fight until we get them.

There are three challenging issues I want to raise with you today. First, is JTPA a useful alternative to TAA? Second, can we get TAA & JTPA to work together for the best of both? And third, how can we get the testing and counseling so viitally needed so our members and dislocated workers in general can most intelligently choose training that will lead to a real, decent paying and satisfying job?

Several oprganizations from the Congressional Office of Technical Assessment, to the national Governor's Association, to our own Senator Heinz have looked at JTPA programs nationally. I expect Department of Labor & Industry Deputy Secretary Frank Mont would agree that most JTPA training focuses on short-term retooling and a quick return to employment. The average tuition of $700 for training of a 90 day duration and no cash assistance while in training pretty well assures that limited focus.

For those of us who were steelworkers, glassworkers, rail car or rail equiptment workers, in order to retrain to be health care workers or join the ' formation industry, then that retraining must be longer-term. Two years is probably minimal if the job at the end is to be better than minimum wage. In this region, Beaver County JTPA ran out of all classroom training funds a couple of months into this program year. Westmoreland County never had any classroom training money. We have heard some good stories about Allegheny County retraining and we will be working more closely with the Allegheny County PIC to better utilize this JTPA, especially for the majority of workers who never will have a chance for TAA.

An important challenge is making better use of TAA in coordination with JTPA when and if good JTPA training is available. As you know, TAA training funds keep running out. But, if TAA eligible workers go into JTPA training and they know to get TAA approval from OES prior to beginning that training, TRA will pay weekly cash benefits while they train and TAA job search and relocation funds will be available for six months after training. So, the state OES must alert dislocated workers to JTPA and state JTPA operations must alert potentially TAA eliigible workers to go to the OES.

The Allegheny County PIC and the County JTPA are working with us to set-up such a system. Frank Mont is waiting for the results. We hope to take a working model to Pennsylvania Secretary of Labor & Industry Wofford soon since that is where the OES & JTPA come together in the state administration.

(2)

Another challenge is career counseling, or testing and counseling, or "how do I decide what to do with my life now that my old life is gone." Though the Federal law and regulations say that the OES must provide career counseling for TAA eligible workers, they don't. In fact, in Pennyslvania, the last governor's administration got rid of OES counselors years ago. Several unions and companies have set-up job search assistance centers like the one in Duquesne or the career developmenmt centers in Beaver County. These are now all shutting down.

We strongly feel that unemployed and especially underemployed workers by the thousands still want to remake their lives and will make the sacrifices to retrain to accomplish this. They just need to hear that retraining is really available and that the career counseling will help them choose training that leads to a real and decent job.

Here again we are working with the Allegheny County JTPA to try and work on a solution. But we draw your attention to this critical gap so that some funding can be targetted to the need.

THE ALLEGHENY COUNTY DEPARTMENT OF FEDERAL PROGRAMS

ONE-STOP SHOP: A MODEL FOR SERVING DISLOCATED WORKERS

BACKGROUND

The One-Stop Shop, as its name implies, was established to provide a comprehensive system of employment, training, and support services to unemployed residents of Allegheny County in one central location. At the same time the concept and ultimate design of system of services were tempered by the requirements of the funding service, i.e. Title III of the Job Training Partnership Act (JTPA). Since programs funded by the JTPA are performance driven in that they are measured by the percentage of individuals terminating in unsubsidized employment, the design of the Center had to reflect this reality. With these dual goals in mind the One-Stop Shop focused on the following objectives:

(1) To establish and maintain effective outreach and recruitment methods to ensure that all eligible residents of the County are aware of the services.

(2) To provide integrated services through the co-location of essential support services offered by other units of County government as well as the total network of human service agencies in the area.

(3) To develop an assessment model that focuses on the individual needs of each client, maximizing the flexibility for obtaining the most effective individual employment plans within the context of JTPA performance standards.

(4) To establish and maintain services and programs which maximize the opportunities for assisting unemployed residents of Allegheny County to obtain meaningful unsubsidized jobs.

A measure of the success of the One-Stop Shop's achieving these objectives can be gleaned from the following statistics which include data on all clients for the period April 1, 1985 through February 29, 1988:

Intake/Assessment/Support Services Assistance	5,433
JTPA Services	
Life Skills Classes	2,074
Job Search Assistance	1,410
Vocational Classroom Training	897
On-the-Job Training	198
Remedial Education	200
JTPA Outcomes	
Terminations	1,659
Unsubsidized Placements	1,248 (75%)

A second way to evaluate the One-Stop Shop is to review the components of the model to see the extent to which the Center's objectives have been achieved.

1. OUTREACH AND RECRUITMENT

From the outset a concerted effort was made to establish contact with employers (and unions where appropriate) who were faced with closures or major reductions in force. The intent of these contacts was to utilize employers/unions as sources of recruitment for the One-Stop Shop and to establish linkages between employer operated Outplacement Services and the One-Stop Shop. Because of the uniqueness of each situation we were not able to develop any standard procedures for establishing these relationships. In some instances we were contacted by the union (Krogers). In others we were contacted by the employer (Gulf). The vast majority of contacts, however, were initiated by the staff of the One-Stop Shop based on articles and announcements appearing on/in the news media. Attempts were made to establish a more systematic way to obtain information about plant closings and reductions in work force through the Office of Employment Security but to date these have not been very productive. Nevertheless, concrete linkages were established with the following employers:

Gimbels	Hills	G.C. Murphy
Gold Circle	Krogers	Union Switch & Signal
Gulf Oil	LTV	Westinghouse Air Brake/Electric/Nuclear

These linkages ranged from the employer agreeing to send the One-Stop Shop applications to employees already terminated (Hills) to the DFP providing job search assistance and vocational assessment on the work site to employees prior to the date of termination (Westinghouse Nuclear). Staff was initially very enthusiastic about this latter model because we were establishing concrete options for people prior to their actually becoming unemployed. In the end this model proved less that successful. For a variety of reasons including hostility toward the employer and being psychologically unprepared for the pending layoff, many employees who could have benefited from the services chose not to take advantage of them.

The most common and ultimately most effective model has been linking the One-Stop Shop with existing Outplacement Centers established by companies experiencing major layoffs. Through these contacts with companies, such as Gulf Oil, Westinghouse Electric (through its center at the Westinghouse Valley Human Services Center), Westinghouse Air Brake, Union Switch and Signal and LTV, the One-Stop Shop has received a large percentage of its applicants. (See Attachment I for chart listing contacts with major employers.)

The major source of recruitment for dislocated workers from companies that provided no post termination reemployment services has been the print media, specifically in the form of newspaper articles and classified advertisements. Fliers describing the One-Stop Shop have also been effective in reaching the eligible population through Community Based Organizations, Unemployment Compensation offices and other Human Service Agencies.

2. SUPPORTIVE SERVICES

The supportive services component has become a primary part of the One-Stop Shop model. We believe that it reduces program dropouts by recognizing issues which might negatively affect a client's job search or training & by providing ways of dealing with them. Services include individualized assessments of need, comprehensive information & referral, personal & family counseling, lunch-hour "primary needs" seminars, & occasional short term group workshops.

The Need

The supportive services component was developed to address needs which may arise as a consequence of unemployment & to reduce problems which may inhibit re-entry into the work force. Research indicates that individuals who have been dislocated from their jobs experience as a group increased rates of depression; alcohol & drug abuse; physical illnesses such as cardiovascular problems, hypertension, & peptic ulcers; chronic insomnia; psychiatric hospitalizations, & suicides. Utility, mortgage, & food shortage problems arise. Elevated stress within families leads to feelings of isolation & increased likelihood of child abuse. Prolonged joblessness exacerbates all types of health & emotional problems. All of these conditions hinder the ability of job seekers to look for work or hold a job once they find one.

The Service Providers

Multiple problems require multiple solutions. Therefore the supportive services unit was designed to draw from the expertise of various human services providers within Allegheny County. County departments (Mental Health/Mental Retardation, Adult Services/Area Agency on Aging, Community Services, & Health) agreed to participate & Helpline was enlisted to provide information & referral. Initially all participating County departments, with the exception of the Health Department, had staff on site at least one day per week. The prospect of providing at one site a potpourri of services was exciting. It would mean more immediate help to clients, less bureaucratic run around, & assistance in accessing those systems which many dislocated workers as members of the work force had never had to access.

The MH/MR component, funded through a Pennsylvania HSDF grant, was divided between three MH/MR base units which together would provide the equivalent of a full-time staff member. The focus of the component was as an outreach unit, letting laid off workers in their communities know about the One-Stop Shop, bringing them into the system, & providing counseling as the need was identified.

The Health Department has continued to provide resource materials which we distribute to appropriate clients in a "primary needs" packet.

The Helpline representative provides clients with information & referral to over a thousand service providers in the County. Through

her expertise hundreds of clients have received assistance in dealing with their needs. Often people do not understand how, why, or when to approach human services agencies or what the long term benefits can be. The Helpline representative offers a non-threatening way of approaching "Where to Turn."

The Design

Originally we assumed that clients needing supportive services would be identified by their employment & training counselors in the assessment. However it soon became obvious that clients, who came to the One-Stop Shop as a source of employment & training services, might not feel comfortable inquiring about supportive services through their counselors for fear of jeopardizing their employment & training status. This is especially true for clients with marital problems & certain health concerns.

Consequently we developed a system integrating the supportive services staff into the intake process. All clients complete a needs checklist & attend a pre-assessment interview with supportive services staff where they are provided with information about available services & are encouraged to deal with their non-employment & training needs prior to or in conjunction with their job search or retraining. It has been our experience that the entire program benefits, and clients are more likely to succeed when they receive this initial, comprehensive support.

3. CLIENT ASSESSMENT

From its inception the goal of the Employment and Training Assessment of One-Stop Shop applicants has been two-fold:

(1) To establish the most effective employability plan for each individual served by the Center and

(2) To determine the capacities of these individuals to achieve the final objective of these plans, i.e. unsubsidized employment.

Although in hindsight this seems to have been the only logical way to proceed, we were faced initially with other options. These included providing job search assistance to all clients without doing a needs assessment and offering vocational assessment only to those who made special efforts to seek it out. These options were rejected because we were and still are convinced that most dislcoated workers need to come to terms with their own unique situations, to be made aware of their options, to be assessed of their capacities and readiness to pursue them, and to arrive at an employability plan in concert with an assessment counselor that meets his/her own specific needs.

Such a model places a great deal of responsibility on both the client and the counselor. The client has to realistically assess his situation in terms of long and short term goals, individual and family resources, occupational skills and career options, and the need to come

to terms with impediments that block his being able to effectively pursue his goals; the counselor must guide the client through this process with the aid of tests which measure basic skills and aptitude; and by utilizing the network of services offered through the Supportive Services Unit. Implicit in this design is an evolutionary process that attempts to refine and when necessary modify the plans to which the client and counselor agree. The actual assessment process extends beyond the one-on-one relationship established between counselor and client. All staff who have contact with the client including instructors in Job Search, Life Skills and Remedial Education classes, as well as Supportive Services staff play a significant role in the development of the employability plans.

A crucial point in this on-going assessment process occurs in the weekly disposition meeting where counselors, job developers, instructional and support services staff review the status of the clients assigned to the program that week. From differing vantage points the staff analyze each client and agree upon two things: whether or not to enroll the client or to modify the current plan. The former issue is critical in that it decides who will be enrolled into the JTPA tracking system and thus become part of the official statistics which measure program performance. Faced with the dilemma of having to meet prescribed performance standards and at the same time not wanting to reject any clients who desire the services of the One-Stop Shop, we established a procedure whereby we continue to serve informally those eligible individuals with marginal capacities to obtain unsubsidized employment so that they are satisfied with the effort being made to help them find employment, and at the same time the system is not unduly taxed with negative outcomes.

The overall levels of the success of this assessment process can in part be measured by the above listed statistics. It can also be measured by the extent to which individualized employability plans have been achieved. Proof of this can be seen in the number of clients who have transitioned from unskilled and semi-skilled jobs to vocational training programs taking them in new directions often only after they have remediated deficiencies in Mathematics and English. To date 900 clients have been enrolled into vocational training. This number would have been significantly lower without the individualized assessment. (See Attachment II which lists enrollments by Skills Training.)

A third way is to the degree to which the system has had the capacity and the flexibility to respond to specific needs of clients. Proofs of this flexibility can be seen in approving plans for training heretofore not available to DFP participants (i.e. Mortuary Science, Non-Destructive Testing) and agreeing to sponsor clients in part-time programs to enable them to continue working while they gained new skills.

4. JOB SEARCH/PLACEMENT

The primary measure of success for any employment and training program serving dislocated workers is placement in unsubsidized employment. To that end the One-Stop Shop has focused much of its

activities concentrating on three areas: job search assistance, job development and public relations. The first two activities really work in concert in that the job development services enhance and support the efforts of the job search component. In theory a job search assistance program is designed to help experienced workers focus on their skills and abilities outside the context of the specific jobs from which they have been laid off, and to teach them how to market themselves. Many dislocated worker programs design their employment model upon this theory. In reality many dislocated workers are not able to translate the skills which they develop in the job search component into an effective method for gaining reemployment. By integrating the services of job developers into the model the One-Stop Shop has been able to assist many of its clients who on their own would have lacked the finesse to negotiate successfully the job search process.

At the One-Stop Shop every client participating in Job Search is assigned to a job developer. Through individual assessments the job developers come to know the strengths, weaknesses and marketability of each client. Through contacts which they have made with area employers, the job developers are able to arrange interview for appropriate clients. The job developers also have the added marketing incentive of On-the-Job Training whereby they can interest employers in hiring One-Stop Shop participants at a financial saving of 50% of the salary for a specified period of training.

Actually the task of the job developer is made significantly easier by the work done by the staff of the Job Search/Job Club component. In a highly structured two week program job seekers develop the skills of how to sell themselves to employers. These include understanding the essential function of the job interview (which for many dislocated workers is a revelation), developing effective interviewing techniques, preparing a well organized resume, and learning how to actually obtain job interviews. The staff of this component, made up of individuals with a vast amount of personnel experience with major employers such as U.S.X. and West Penn Hospital, guide the partipants through the pitfalls of job seeking and are able to intersperse first hand experiences that help them avoid costly mistakes and the frustrations of constant rejection.

To increase the awareness of area employers to the existence of the One-Stop Shop and to the benefits of hiring its participants, the Department of Federal Programs has engaged in many public relations efforts. These include sending out fliers to members of the Greater Pittsburgh Chamber of Commerce, having articles published in employer organization newsletters (Smaller Manufacturers Council, Hospital Council of Western Pennsylvania), preparing a brochure for mass distribution, and exhibiting at Employer Trade Shows (Pittsburgh Personnel Association Show, Pittsburgh Industrial Show, Pittsburgh Mobilization for Tomorrow Show).

ATTACHMENT I

RECRUITMENT METHODS WITH SPECIFIC AREA EMPLOYERS

EVALUATION OF THE ALLEGHENY COUNTY DEPARTMENT OF FEDERAL PROGRAMS ONE-STOP SHOP

ATTACHMENT I

COMPANY	SOURCE OF CONTACT	POINT OF CONTACT	ROLE OF UNION	MAJOR PROVISIONS OF ARRANGEMENT
Ginbels	DFP contacted company	Announcement of closure in newspaper	Not involved	Company offers Outplacement Service and informs employees of One-Stop Shop services
Gold Circle	DFP contacted company	After facilities closed	N/A	Provide Company with copies of One-Stop Shop application
Gulf Oil	Company contacted DFP	At time of announcement to close facilities	Not involved	Company provided Outplacement Services prior to layoffs and invited One-Stop Shop staff to participate
Hills	DFP contacted company	After stores closed	N/A	Company agreed to send One-Stop Shop applications to terminated employees
Krogers	Union contacted DFP	After stores were closed	National Union involved	Union organized seminars and invited DFP to make presentations and and sign up people for the One-Stop Shop
LTV	DFP TO union Company to DFP	After shutdown of South Side and Hazelwood facilities	Some at the local leadership level	Union agreed to pass out applications at Food Banks, etc. Company has requested formal ties between its Outplacement Service Center and One-Stop Shop like that which we have with UEI
G.C. Murphy	The Job Advisory Service contacted DFP	Shortly after layoff occurred	N/A	Job Advisory Service sponsored a one day seminar at CCAC South Campus where One-Stop Shop made presentation and recruited applicants
Union Switch and Signal	DFP contacted company	Prior to scheduled layoffs	Limited recruitment	Outplacement services conducted by company included presentations by One-Stop Shop staff. Ongoing referrals from company's service centers.
Westinghouse Airbrake	DFP to company	Announcement of phasedown	Limited recruitment	Orient Outplacement Service Center Director to One-Stop Shop. Ongoing referrals from company center to One-Stop Shop.
Westinghouse Electric	DFP to company	After majority of employees had been laid off	Active recruitment initially	Linkage with the company's Outplacement Center housed at Westinghouse Valley Human Resource Center. Significant source of referrals.
Westinghouse Nuclear	DFP contacted company	Three months prior to scheduled reduction in force	Not involved	Group orientations followed by on-site Job Search Assistance and vocational counseling prior to lay off, followed by additional services at the One-Stop Shop

ATTACHMENT II

ONE-STOP SHOP ENROLLEES BY TRAINING INSTITUTIONS

ONE-STOP SHOP ENROLLEES BY TRAINING INSTITUTION

TRAINING INSTITUTION	TRAINING PROGRAM	NUMBER
ACRT	Tree Care/Landscape	5
Allegh Bus Inst	Legal Secretarial	2
Allegheny County Police Academy	Police Academy	1
Bidwell	Carpentry	3
	Culinary Arts	1
	Elect. Wiring	2
	Fiber Optics	3
	Information Sci	3
	Plumbing	1
	Sec Sci/Book	10
Bradford	Stenographer	4
CCAC	Degree/Certificate	179
Connelley	Cabinetry	1
	Food Service	1
	Home Health Aide	1
	LPN	2
	Maintenance	1
	Robotics	1
	Surg Tech	6
Control Data	Auto Office Tech	8
	Computer Tech	10
Dean Tech	Bldg Maint	7
	Const, Eng, Draft	3
	Electrical Tech	10
Diskriter	Word Processing	2
Duffs	Accounting	1
	Bus Office Asst	1
	Exec Secretary	7
	Medical Asst	4
	Word Processing	5
Electronics Institute	Electron & Comp Tech	8
	Electrical Tech	9
Female Offenders Program	Clerical	1
Forbes Road AVTS	Hotel/Rest. Mgmt	1
	Printing	2
Franco Beauty Academy	Cosmetology	1
Gateway	Drafting	1
	Electronics	24

Harmarville Training Institute	Orthotics Tech	15
	Prosthetics	2
	Rehab Tech	2
	Nursing Asst	6
ICM	Medical Off. Asst	7
	Secretarial	9
	Travel & Tourism	1
	Spec. Off. Systems	3
	Data Processing	1
	Comp. Prog. Systems	1
	PC Fundamentals	1
Info Age Computer	Hosp Info Systems	9
Int'l Bartending	Mixology	12
Liken	Word Processing	10
Machine Shop Tech	Robotic Engnrng Tech	30
McKeesport	Auto Mechanics	1
	Culinary Arts	3
	RHVAC	1
Median	Admin Med Secy	2
	Dental Asst	1
	Dental Tech	5
	Medical Asst	7
Mobile Health Educ	Nursing Asst	1
Monr Schl of Bsness	Computers	5
	Word Proc	4
New Ken Comm.	Bus. Admin.	2
	Med Admin Asst	4
	Office Clerical	2
	Secretrl Sci (Exe)	4
	Stenographic	1
N. Hills School of Health	Medical Asst	11
	Pharmacy Tech	8
Parkway West	TOTAL SLOTS	
	Airline Occupations	1
	Auto Mechanics	2
	Cosmetology	3
	Electronics	2
	Meat Cutting	1
	RHVAC	4
	Sectl Office Procds	2
Penn State-McKeesprt	Bio Medical Tech	6
	Electrical Engng	9
	Mech Eng Tech	4
	Medical Lab Tech	1
	Radiologic Tech	1
Penn Tech Inst	Electronics Tech	23

Pinch Hitters	Word Proc Per Comp Career Dev	28
Pgh. Barber	Barber	7
Pgh. Bartending	Bartending	1
PBA	Cosmetology	8
PIA	Aeronaut Maint Avionics	38 1
Pgh. Inst/Mortuary Sci	Mortuary Sci	1
Pgh. Tech. Inst.	Computer Asstd Draft/Design	9
Point Park	Bus. Management	1
Rehab Inst.	Attendant Training	5
Rosedale	Auto & Diesel Tech	20
RPSC	Secretarial/Word Processing	11
St.Francis	Respiratory Tech	6
Steel Center	Meat Cutting Bldg. Trades Maint.	2 1
Tech Training School (TTS)	Auto Collision Auto Mech Auto Transmission Bricklaying Carpentry/Elect RHVAC Truck Driver	8 13 1 1 16 18 1
Triangle Tech	Bldg. Trades Maint Drafting RHVAC w/solar	15 6 17
Truck Driver Dev (TDDS)	Tractor-Trailer Truck Driving	19
West PA Schl/Hlth	Dental Asst Medical Asst	2 2
Westinghouse Nuclear	Non-Destruct. Testing	8
YWCA (Training Inc)	Clerical	2